

EL

ELE

Four

It is
four ye
Ontario
on, and
to deve
secure
section
justice,
in no c
the Pro
when i
or whe
Canada
shown l
lic imp
importa

The f
illustra
piled fr
the spe
the Ex
and do
compar
Record

First

The C
Macdon
tion, on
went to
liament
Decemb
Address

ELECTORS' GUIDE, 1875.

FOUR YEARS OF REFORM GOVERNMENT.

ELECTORS' GUIDE, 1875.

Four Years of Reform Government.

It is confidently claimed that, during the four years of Reform administrations in Ontario, the Government has been so carried on, and legislation so guided, as best served to develop the Provincial resources, and to secure to all classes of the people in every section of the country the blessings of order, justice, education, and prosperity; and, that in no corresponding period in the history of the Province, whether as now constituted, or when it was the Province of Upper Canada, or when it formed part of the Province of Canada, has so satisfactory a result been shown by any Government in regard to public improvements, executive efficiency, or important and beneficial legislation.

The following plain statement of facts, in illustration of these positions, has been compiled from the public journals of the Province, the speeches and addresses of members of the Executive Council, and other writings and documents, and has been verified by comparing every particular with the Official Records, which are open to all.

First Ontario Government, 1837-1871, and its Policy.

The Government of Mr. John Sandfield Macdonald, called by himself a Combination, or Patent Combination, Government, went to the country in March, 1871. Parliament was convened in the following December, and by an amendment to the Address the fate of the Ministry was

decided. As an endeavour is made to manufacture a grievance out of the manner in which the Patent Combination Ministry fell, it may be well to recall the events connected with their last moments.

ITS RAILWAY POLICY.

In the session of 1870-1, immediately before the dissolution, the Government of Mr. Sandfield Macdonald had carried through the House a Bill appropriating for grants in aid of railways one million and a half of dollars. This Act gave power to the Government of the day, by Orders in Council, to make grants to all or any railways coming within the general scope of its terms. The Government were to be the sole judges of the claims of competing lines; and could at their discretion regulate the mileage allowance to be paid to the several roads, the minimum being \$2,000, and the maximum \$4,000, per mile. The Legislature was to have no voice in the matter, and the money might be guaranteed or paid months before the representatives of the people even knew of its appropriation. The Bill contained no provision for making public the Orders in Council, nor even for laying upon the table of the House any return or report of the proceedings of the Government in relation to these grants in aid.

MR. BLAKE'S AMENDMENTS.

In the debate upon the Railway Aid Bill (7th February, 1871), Mr. Blake, the leader of the Opposition, moved an amendment as follows:—

“This House feels bound to express its conviction that the country will have just ground for dissatisfaction unless some plan is adopted whereby, while making all just and necessary provision in aid of railways and other public improvements of Provincial interests in the thinly-settled and the unprovided districts, a large part of the available surplus should be apportioned according

to population, and expended in such a way as each of the counties, cities, and separated towns shall, as to its own allotment, designate, in aid of railways or other permanent public improvements affecting the localities, or towards the redemption of Municipal obligations already contracted for such purposes; due precaution being taken for the proper application of the money; and provision being made that the allotment to any Municipality indebted to the Municipal Loan Fund should be applied on equitable terms towards the satisfaction of what may be found due by the Municipality on an adjustment of the Municipal Loan Fund indebtedness."

Here was the foreshadowing of that final settlement of the Municipal Loan Fund scheme, and the distribution of the surplus to unindebted municipalities, which Mr. Mowat carried into effect two years afterwards.

But the amendment which struck directly at the unconstitutional authority usurped by the Bill was one moved by Mr. Blake on the 10th February, 1871, which declared:—

"That the decision of the Government to grant aid to any railway company shall be subject to the ratification of the Legislative Assembly; so as not to leave so large a sum of money as one million five hundred thousand dollars to be expended at the will of the Executive, without a vote appropriating the same to particular works."

The above amendments were defeated by large majorities in the House, but were approved by the country.

CONSERVATIVE POLICY AS TO PUBLIC BUILDINGS.

The Patent Combination sought further to increase their power over constituencies and electors, by taking from time to time grants of large sums for public buildings without designating where they were to be erected: \$75,000 for a Deaf and Dumb Institution; \$75,000 for a Blind Asylum; and \$150,000 for a Central Prison.

In the session of 1868-9, when the appropriation of \$75,000 was asked by the Government to establish a Deaf and Dumb Institution, Mr. McKellar moved in amendment that, "this House has had no opportunity of expressing its opinion as to the place to be selected for the new Deaf and Dumb Institution, and that before any expenditure of money be made in respect thereto, the Government ought to submit the selection made to the consideration of the Legislature." This was lost by 21 yeas to 40 nays.—*See Journals*, 1868-69, page 87.

In the session of 1869, on the appropriation of \$75,000 for the Blind Asylum, Mr. Boyd, a member of the Reform opposition, moved in amendment that, "this House ought to

have an opportunity of expressing its opinion as to the place to be selected for the Blind Asylum, before any expenditure of money be made in respect thereof." This was lost by a vote of 22 to 53.—*See Journals*, 1868-69, page 143.

In the session of 1870-71, on the appropriation of \$150,000 for a Central Prison, Mr. Boyd moved that, "this House regards as one of its most important privileges, the having control of all the moneys of the Province, and will consider itself as failing in its duty were it to divest itself of that privilege with respect to the money to be expended in the construction of the Central Prison, and to leave the selection of a site therefor to the arbitrary will of the Government." This was lost on a vote of 20 to 41.—*See Journals* 1870-71, page 206.

THE ISSUES.

By such and similar motions the Reform party placed on record a clear enunciation of the vital principle of Constitutional Liberty, that the Government must be subject to the supervision and control of their representatives, before it is too late for control to be exerted with any practical effect; while, on the other hand, the Combination Government, in obtaining unlimited power of appropriating the Railway Fund, and of locating Public Institutions, placed itself in a position to threaten the independence of Representatives and Constituencies alike. With large appropriations in their hands, and at their unrestricted disposal, the Patent Combination proposed to retain paramount authority at Toronto, by following a similar system of influencing constituencies and their members, to that which Mr. McDougall in his speech at the Reform Convention, June 28, 1867, said, could secure to the Government of Sir John A. Macdonald at Ottawa the control of the new Dominion for ten years at least, through the Inter-Colonial Railway money in its hands, and the right of deciding without appeal between rival routes.

During the General Election which followed the session of 1870-1, localities and railway companies were sought to be brought under the pressure of the power which the then Government arrogated to itself. Support was sought to be secured by promises of Orders in Council for railway projects, while orders were not actually made, but were studiously held in abeyance as pledges of allegiance. Fifty-five miles of railway, being extensions of the Northern Railway, were alone aided; and this was a concession extorted by the persistency of the promoters shortly before the session began.—*See Orders in Council*, dated 14th October, 1871.

The New Legislature.

FALL OF THE GOVERNMENT.

On the new Legislature assembling, the railway policy formed the basis of the attack under which the Ministry fell. On the 11th of December, 1871, Mr. Blake moved in amendment to the Address as follows:—

"We feel bound to take the earliest opportunity of informing your Excellency, that we regret the course taken by the Legislative Assembly last session, under the guidance of your present Ministers, in reference to the large powers given to the Executive as to the disposition of the Railway Aid Fund, and to state that, in our opinion, the proposal of the Government to grant aid to any Railway should be submitted to the approval or rejection of the Legislative Assembly, so as not to leave so large a sum as \$1,500,000 at the disposal of the Executive without a vote of this House appropriating the same to particular works."

By this amendment the constitutional authority of Parliament was asserted, and a plain issue was joined between those who maintained the right of the Legislature to control all appropriations of the public money, and those who claimed that the Government should be vested with these new and extraordinary powers. No objection was, in the first instance, raised to the mode or time of this condemnatory resolution being introduced. Only after they found that the probabilities of their defeat were strong, did the threatened Ministers raise the cry of injustice, on the ground that, by election petitions and other causes, eight seats were at the moment vacant. It is obvious that if the House were competent to accept the Address, and thus in effect express confidence in the Government, it must be equally competent to reject or amend the Address, and thereby express censure or no confidence.

The plea for time was obviously an afterthought, and could not be entertained. A motion in the sense of the objection was made in the interest of the Government, and was defeated by a majority of eight votes, the numbers being, Yeas, 32; Nays, 40. But the fate of the Government had been practically decided when, on the previous evening to that on which the division was taken, a motion to adjourn had been defeated by a majority of two votes. Mr. Blake's amendment to the address was finally carried by a vote of Yeas, 40, to Nays, 33.

The Ministers, however, still held on to office. Another motion expressly declaring "that the House had no confidence in a Ministry which was attempting to carry out, in reference to the control of the said Fund of \$1,500,000, an usurpation fraught with danger to public liberty and constitu-

tional Government," was therefore moved by Mr. Mackenzie, and carried by Yeas, 37; Nays, 36.

Up to this time it will be observed, that, although always sustained by a majority of members present, the Opposition had not, in any division, commanded an absolute majority of a full House. And, still pleading the absence of the eight members whose seats were vacant, the Ministry—except Mr. Treasurer Wood who had resigned—still stood their ground. But the sense both of the House and of the country was altogether against them.

THE FINAL BLOW.

The House passed an address, on the 18th Dec. (1871), setting forth—"That this House has received His Excellency's gracious reply to the Address of this House, adopted on Friday last; That this House was invited by His Excellency's Ministers to consider the gracious Speech of His Excellency, delivered at the opening of the Session, and to proceed with the work of the Assembly, notwithstanding that some of the constituencies were unrepresented; That this House was thus declared to be, as it in fact was, and is competent in its present state to deal with all questions which might be brought before it; That the discussion of the proposed Address in reply to His Excellency's gracious Speech involved the question of the approval or condemnation of the policy of Ministers, and they themselves, in the course of the debate, challenged an expression of the feeling of this House towards them; That Ministers have been defeated in each of the four divisions which have taken place, and have never had control of the House; That the Ministerial policy on a most important question has been condemned and reversed by a decisive vote of this House which has declared its want of confidence in the Ministers; That the Provincial Treasurer has, in consequence of the hostile attitude of the House, resigned his office; That the continuance in office of the remaining Ministers is, under existing circumstances, at variance with the spirit of the constitution; That the Supplies voted by this House will lapse on the 31st day of December, instant, and this House would be wanting in its duty if it should not, before that time (as was done under like circumstances last year), make provision for the expenditure, under Ministers possessing its confidence, of the moneys necessary to carry on the public service until the final Estimates for the ensuing year can be voted; That this House regrets that the remaining Ministers should have advised His Excellency to continue them in office, and humbly prays that His Excellency will be graciously pleased to consider of the representations contained in this Address."

This motion was carried by Yeas, 44 against Nays, 25. The whole number of Members in a full House was 82, including the Speaker; and the motion having been carried by an absolute majority of a full House, the Ministry had no choice now but resignation. They accepted the situation, and Mr. Blake assumed the duty of forming a new Administration.

The record of this Government, and of Reform Government in Ontario, began with the triumphant vindication of the principle of the Responsibility of the Government to the governed.

The Reform Government is Formed and Sustained.

Mr. Blake's Ministry consisted of six members, the Premier himself becoming President of the Council without a portfolio or salary, and his associates being Messrs. McKenzie, Gow, McKellar, Crooks, and Scott.

In a very few hours the total collapse of the late Ministerial party was proved beyond question. An attempt was made by Mr. Sandfield Macdonald to destroy the new Government, in the absence of five of its members, who had to seek re-election consequent upon their acceptance of office. He moved an amendment to the motion for a new writ for West Middlesex, censuring the course adopted by Mr. Blake in increasing the number of Executive Councillors from five to six. Mr. Blake was fortunately able to defend himself on the floor of the House (all though he subsequently resigned his seat in order to give to his constituents the right enjoyed by those of his colleagues). Mr. Macdonald sustained a crushing defeat, the vote on his motion being: Nays, 50; Yeas 12. Most of his pretended friends who now use his name, refused to support him in the only important motion which he made after he had ceased to be in a position to serve them; and he therefore abandoned them in disgust, and left the city. From that moment to the close of the last session of the Assembly, although it had been elected under Mr. Sandfield Macdonald's auspices, the confidence of the House in the Reform Administration which succeeded him was undisputed.

Mr. Blake having, in a very able speech, sketched the policy of the new Administration, the House, on the 22nd of December, adjourned to the 18th of January, 1872, to give time for the re-election of the new Ministers.

Mr. R. W. Scott's Joining the Government.

The Opposition never cease to declaim

about Mr. Scott having been received as a minister of the Reform Government. Mr. Blake, from his place in the House, 22nd December, 1871, thus explained and justified the appointment:

"The policy of the Administration will be to endeavour to create the best feelings among the representatives from all sections; and with that object in view, he thought it of the highest importance that we should procure the accession to the Cabinet of a gentleman well known and highly esteemed in the eastern section of Ontario, (Mr. Scott). I observed, with regret, that yesterday certain personal attacks were made on my friend and colleague from Ottawa City; but when he is present in this House he will be fully able to vindicate his own honour. It was said, in reference to that gentleman, that in joining me he has violated some pledges that he had made. In 1867 he came out as a supporter of the member for Cornwall. He pledged his support to that Government. But it was not long after the House had met, before it was very apparent that the policy of the member for Cornwall was not such as met with the warm approval of Mr. Scott. But in compliance with his pledge he did give a support—tho' a very reluctant support—to that Administration. That Administration went to the country with a majority of 57 against 25. Well, my friend, having stated, not unfrequently, during the last four years, that he would rather support me than the member from Cornwall, declined, at the last election, to pledge himself to support the Administration of the member for Cornwall. He condemned many of its acts, and came to this House openly saying that he did not agree with many of its acts. Mr. Scott, during the last four years, had endeared himself to gentlemen on both sides of the House. His high character, his cordiality, his courtesy, his knowledge of parliamentary law, combined to make him a favourite nominee for the speakership. And when we heard that he was to be nominated for the chair, there was an unanimous expression of feeling among our friends that he ought to receive our support. On the morning following the day on which I had been entrusted to form an Administration, I felt at perfect liberty to approach my friend, to see if his views and mine were in accord. I found that we were in accord. He desired time for consideration with reference to some points. That time was given. His ultimate determination was such that I found that his views and mine were in perfect accord. I did not ask him to sacrifice his principles, or compromise his views, and he did not ask me to compromise mine. I did not feel I was in a position to ask or expect such a compromise. But having found

that
my c
at li
great
his p
upon

M
tion
of th
trati
and
and a
has
has
Refo
supp

Wo

Th
comm
isters
obvie
prepa
usual
Mr. l
Muni
period
possib
a mea

Ho
Blake
his ac
impor
"to
"app
ed th
aid sh
Legis
store
the ri
trati
"furi
"Leg
from
office
being
Abrah
South
intere
referr
Execu

Mr.
to ab
carrie
being
54.

On
on the
decisi
soluti

that my friend's views were in accord with my own long-declared opinions, I then felt at liberty to ask my friend to give me that great strength which his public position and his parliamentary knowledge would confer upon my Administration."

Mr. Scott, from the time of this transaction until now, has been a faithful member of the Reform party; and, by his administration of the departments entrusted to him, and by his course in the Local Assembly, and afterwards in the Dominion Senate, he has justified the choice made of him, and has merited and enjoyed the confidence of Reform administrations and their Reform supporters.

Work of the First Session

The work of the session having to be commenced after the re-election of Ministers on the 18th January, 1872, it was obvious that no very large measures could be prepared and discussed within the time usually allotted to the business of legislation. Mr. Blake was pledged to a settlement of the Municipal Loan Fund indebtedness, but the period at which he took office made it impossible to introduce so large and complicated a measure in his first session.

LEGISLATION.

However, on the 23rd of January, Mr. Blake, in redemption of the pledges implied by his action when in Opposition, introduced two important Bills. One of these, "An Act 'to make further provision touching the 'appropriation of the Railway Fund,'" enacted that no Order in Council making grants in aid should be operative unless ratified by the Legislature. This measure, therefore, restored to the representatives of the people the rights usurped by the defunct Administration. Another Bill, entitled "An Act 'further to secure the independence of the 'Legislative Assembly,'" prohibited members from holding at the nomination of the Crown, offices payable by fees; a special exemption being made out of consideration for Mr. Abraham Lauder, the member for South Grey, who was already beneficially interested in an office of the description referred to. The same Act limited the Executive Council to six members.

Mr. McKellar also brought in a measure to abolish dual representation, which was carried; an amendment moved by Mr. Rykert being rejected by a vote of Yeas, 19; Nays, 54.

On the same 23rd of January the House, on the motion of the Premier, (revoking a decision of the previous year), passed a resolution expressing regret "that no effectual

"steps had been taken to bring the murderers of Thomas Scott to justice." This was followed by a message from His Excellency recommending a reward of \$5,000 for the apprehension of the murderers. The motion was carried with only one dissentient, Mr. Matthew C. Cameron, the leader of the Opposition.

Amongst the other measures of the session worthy of particular notice and of which the country has since reaped the benefit, were:—An Act providing for the institution of suits against the Crown by Petition of Right; Acts providing for the remission of certain sums due by settlers in Free Grant townships, and granting a long-delayed measure of relief to settlers in arrear on Common School lands; an Act increasing the Railway Aid Fund by an addition of \$400,000, and creating the Railway Subsidy Fund, which was an appropriation of \$100,000 a year for twenty years, also in aid of railways; an Act enabling the Government to advance money upon municipal debentures in aid of drainage, at a charge for interest of five per cent per annum; and an Act limiting the incomes of Registrars, and providing that fees in excess of their legal emoluments should be paid over to the County. At the same time the Act under which the previous Government had taken arbitrary powers to divide counties for registration purposes was repealed.

It will be seen how thoroughly Reform principles pervaded the whole of this mass of legislation. The authority of the people through their representatives over the expenditure of the people's money; the purity of election, and the independence of the Legislature; the liberal assistance of public enterprises; the encouragement of struggling settlers in the newly settled counties or in the more remote sections of the country, were the first care of the new Ministry; whilst other liberal and statesmanlike measures marked the advent of Reform Government to power, and laid the foundation for much of that progress and prosperity the Province has since witnessed. In fact, not a single pledge given in Opposition that could be redeemed was allowed to stand unfulfilled even for one session.

Railway Grants this Session.

Before the close of the session the House had, for the first time, to exercise its power of ratifying the railway grants in aid. Mr. Blake submitted for the consideration of the House of Assembly the claims of ten railways, which would give increased facilities of communication to important sections of the Province from its Eastern to its Western limits; and the House of Assembly ratified all the proposed grants of aid; without any

division, except in two cases, where the vote was 62 to 7, and 64 to 3, respectively.—See *Journals*, 1871-2, pp. 234, 236. Mr. Cameron himself and most of the Opposition leaders and their friends voting for both resolutions. Among the *yeas* on the resolutions were—Messrs. Cameron, Carling, Lauder, Rykert, Boulton, Ardagh, Boulter, Code, Corby, Deacon, Fitzsimmons, Hamilton, McCuaig, McRae, Monteith, Read, Scott (Grey), Tooley, &c., pronounced opponents of the Government whose resolutions they joined its own friends in supporting.

Mr. Cameron and Mr. Rykert, after giving these votes, factiously pretended that they had not had time to consider the Orders in Council. Mr. Cameron moved a resolution to that effect, and laying down certain proposed rules for the future; but so groundless did all parties confess the pretence to be, that, in a House of 53 members, the motion had but 9 supporters, many pronounced members of the Opposition declining to endorse the idle pretence. Amongst these were such well known Conservative members as Messrs. Ardagh, Boulter, Code, Deacon, Read, &c.

Speak Now.

The history of the first session would not be complete without some notice of the commencement of that policy of slander, afterwards systematically pursued by the Opposition. It was in their hands that the great "Speak now" and "Proton," affairs assumed the dignity of "questions."

In the first case a charge was made by Mr. M. C. Cameron against Mr. Blake and Mr. E. B. Wood to the effect, that there had been some collusive arrangement between them for the retirement of the former from Mr. Sandfield Macdonald's Government; and a torn fragment of a note containing the words "Speak now," sent across the floor of the House by Mr. Blake to Mr. Wood at a sitting subsequent to the resignation of the latter, was found, and with detestable meanness used as evidence of the alleged conspiracy. But both the gentlemen so charged gave to the allegation a most positive and unequivocal denial, and the accuser, when called upon to substantiate it before a Committee, refused to appear.

Proton.

In the other case, it was charged that one Lewis, a land valuator, had, at the instigation of Messrs. Blake and McKellar, used improper means to influence certain settlers in Proton, in the County of Grey, who claimed a reduction in the price of their lands, to vote for the Government candidate and against Mr. Lauder, then seeking reelection. It was proved that Mr. Blake had never seen or held any communication with

Lewis on the subject, and that all that Mr. McKellar had told Lewis was, that the Government would carry out the policy towards the settlers its members had advocated when in Opposition. Thus fell to the ground these flimsy and malevolent libels.

Second Session, 1873.

Mr. Mowat's Premiership.

When for a second time the Legislature of Ontario assembled under a Reform Administration, it had lost its former leaders, and instead of Mr. Blake Mr. Oliver Mowat "guided the helm of State." The Dual Representation Act of the Ontario Legislature would not have necessarily caused this change until the Dominion Parliament should assemble, because Ontario legislators only lost their seats in the Assembly under that Act when they "sat or voted" at Ottawa. But the Costigan Act of the Canadian Parliament, although originated for another reason, was supported by Sir John A. Macdonald and his party for the all but avowed purpose of affecting the arrangements in Ontario. They were quite unprepared for the result. The retirement from office of Messrs. Blake and Mackenzie only brought back an old and experienced statesman into the political arena. There were, of course, plenty of chagrined opponents to carp at Mr. Mowat's returning from the bench to take part once more in political life, but the country at large hailed his reappearance with satisfaction.

The Municipal Loan Debts, and Surplus Distribution Scheme.

When the house met in January, 1873, Mr. Mowat had mastered the details and all but elaborated the great scheme for readjusting the Municipal Loan Fund indebtedness. Thus no time was lost by the Reform Government in giving effect to the policy to which Mr. Blake had pledged his party in the last session of the first Legislative Assembly. For years had this huge burden of debt been a fruitful source of demoralization and corruption. The persistent disregard of their financial obligations by certain municipalities, and the temptation of Ministers to use the pressure of indebtedness as a means of securing political support, the sense of injustice rankling in the minds of indebted communities, and the injury to municipal credit involved in the existence of such heavy incumbrances, all called loudly for the intervention of a Government just enough to effect a settlement, and powerful enough to enforce one. With scarcely an objection or criticism worth the name, the great measure passed through the Legislature. The huge burden was reduced to proportions com-

men
liqui
\$3,00
amon
There
did n
benef
Adm
ficial
were
muni
the w
the i
part
foun
gethe
local

But
the S
the P
amen
meas
sion
cond
ous a
whol
instit
amen
arran
charg
an in
syste
patie
for n
access

O
In
duce
Adm
Onta
refor
An
liber
sity
Th
and
the r
A
carri
facili
twee
estab
other
tical
law,
trove
for
Soci
Al
a ju
and

mensurate with the means existing for its liquidation, and, as an equivalent, a little over \$3,000,000 was appropriated for distribution amongst the unindebted municipalities. There was not a single township in Ontario that did not immediately and directly reap the benefit of this great boon secured by a Reform Administration to the country. The beneficial results of this measure of legislation were at once seen in the rapid revival of the municipalities which had been oppressed by the weight of their municipal debt, and in the impetus given to improvements in every part of the Province. The measure was founded upon principles which freed it altogether from the imputation of political or local partialities.

New Municipal Code.

But this was not the only great work of the Session of 1873. The Municipal Law of the Province was, as the result of constant amendments, in a state of confusion. By a measure introduced during this session more than 1,000 sections were condensed into half that number; various amendments were effected; and the whole of the Acts affecting the municipal institutions of Ontario were with these amendments consolidated in one carefully arranged statute. Mr. Treasurer Crooks had charge of the measure. Those who take part or an interest in the operation of our municipal system—who does not?—may thank the patience and assiduity of that Reform Minister for making the law on the subject plain, accessible, and intelligible to every one.

Other Reform Measures in 1873.

In the same session the Government introduced and carried a measure for the better Administration of justice in the Courts of Ontario, embodying extensive and valuable reforms for that purpose.

Another measure gave a new and more liberal system of Government to the University of Toronto.

The Licensing Acts were amended, and new and more stringent regulations adopted for the regulation of licensed houses.

A crowd of other measures also were carried. These included: An Act to facilitate the adjustment of disputes between Masters and Workmen; an Act to establish Liens in favor of Mechanics and others; an Act to establish a school of practical science; an Act amending the election law, and the law relating to the trial of controverted elections; and an Act to provide for the incorporation of Immigrant Aid Societies.

All these enactments were based upon a just conception of the rights affected, and the public interests to be secured.

Crown Lands Department.

Nor was it only into legislation that a new spirit had been infused by the change of Government effected in December, 1870. No Department more needed the stimulating influence of a Reform Administration than that of the Crown Lands. No topic had, previous to the advent of the Reformers to power, been less popular in the House than the Crown Lands management; no office was more carefully shunned by all who could possibly avoid it than the one presided over first by Mr. Stephen Richards, and next by Mr. Matthew C. Cameron.

Mr. R. W. Scott, on the other hand, entered upon the duties of Crown Lands Commissioner with something like enthusiasm. He was perfectly acquainted with the business of the Department, and had the most liberal views as to the policy to be pursued in relation to its administration. The House was delighted with his enlightened and comprehensive expositions of the question in all its bearings. The identity of interest actually existing between the lumberer and the settler, and the important part played by the former, not only as a contributor to the national treasury, but also as the pioneer of settlement and civilization, came to be better understood. Probably there has never been in the seven years that have elapsed since Confederation any debate in the Assembly better sustained, or in which a larger amount of information has been elicited, than the one in which this Session the House discussed, and the Commissioner, Mr. Scott, defended, the sale of the Huron timber limits. Whilst a great deal of valuable matter was incidentally contributed to the general stock of knowledge on the subject of Crown Lands' management, the course pursued by the Government in respect of the Huron tract was most triumphantly vindicated. A full discussion of the subject will be found in a subsequent part of this paper; but it may be observed here that Mr. Scott was able to prove that, for years successive Governments had vainly endeavoured to open up that territory to settlement; that the timber was being gradually wasted by fire and robbery; which only a very enormous annual expenditure could guard against; whilst by the sale, in addition to the receipt of a round sum of nearly \$600,000 in the shape of bonuses, available either for expenditure on public improvements or for purposes of investment at interest, the Province would receive a large amount in license fees and in duties on the timber when cut and taken to market. In answer to the charge that in placing so large an area under license he was usurping extra-constitutional authority, the Commissioner could

point to the express letter of the statute under which he acted. After a debate lasting a whole week, the policy of the Government was fully sustained.

The report of the Commissioner for 1872 showed how great a change had, in one year, come over this Department. Whilst, in 1871, the lands sold amounted to 92,272 acres, in 1872 they amounted to 135,697 acres. From sales in 1871 there accrued \$158,565, and in 1872 \$185,071. The total collections in 1871 from this branch were \$349,932 and in 1872 \$407,805. In the year 1872 eighteen townships were opened for location, 875 persons were located on free grants, besides a large number who became purchasers of locations for settlement. Irrespective of the receipts on account of the Huron limits, the gross collections of the Department in 1872 exceeded those of 1871 by \$310,894. It will be seen at once, therefore, what the Province must have reaped in the shape of permanent benefit by the new life infused into the Crown Lands Department.

Looking beyond the subjects of administrative interference it is interesting to notice the rapid growth of railway enterprise under the influence of the liberal policy devised for its encouragement. At the end of 1872 it appeared that since Confederation there had been constructed or placed under construction no less than 1,484 miles of road; on these there had been an expenditure of \$18,915,871, and their completion was estimated to require a further outlay of \$16,631,718. Nor was this the only illustration to be found at the date named of the extraordinarily rapid progress of the Province. The increase in banking, in bank capital, and in savings' bank deposits, all indicate a state of prosperity calling for such wise and liberal measures as the country had a right to expect, and was sure to obtain at the hands of a Reform Administration.

Third Session, 1874.

More Reform Measures.

The principal measures which were fore-shadowed in the speech from the Throne when the House opened for its third session, and which became law, were—

Bills amending and consolidating the school law;

A Bill instituting the vote by ballot in Provincial elections;

General Bills providing for the incorporation of public companies and benevolent associations without the necessity of their having recourse to special legislation;

Bills regulating the apportionment of Government grants to charitable institutions

And an Income Franchise Bill.

The High School and Public School Bills were the subject of a thorough and laborious examination by a Committee presided over by the Premier; and on being ultimately passed, they were incorporated in two Acts, consolidating the whole body of the School Laws. A radical change was made in the constitution of the Council of Public Instruction, and the elective principle was introduced, by which the several classes interested in the carrying out the great business of public education, were able to secure representation in the governing body.

The Companies' and Societies' Incorporative Acts were specially suggested by the private Bill Legislation of the previous session. Bills had been introduced for the incorporation of the two Orange Associations of Eastern and Western Ontario, respectively. This step aroused a good deal of excitement both inside and outside the Legislature. The Ministry made the question an open one, and were divided on the vote. The Bills being carried by small majorities, were reserved by the Lieutenant-Governor, under the advice of the Cabinet, in accordance with what they believed to be their duty, having regard to certain existing precedents. When the Address was moved at the opening of the session of 1874, Mr. Boulton, who had voted against the Bills on their second reading, moved an amendment censuring the Government for reserving the Bills for the Governor-General's assent. This hostile movement was defeated, and the course of the Ministry sustained; and the necessity for a revival of these irritating questions was finally set at rest by the passage of the General Acts before mentioned. The advantage taken by numerous bodies to become incorporated under the General Acts has already demonstrated the wise policy on which they were founded. An impetus unknown in former years has been given to the development and progress of the various industries of the Province by the ready incorporation of persons for the promotion of such objects.

The grants to those Public Charities which had theretofore been annually receiving public aid were placed upon a new footing, and are now regulated by the extent of the services performed by the establishments assisted.

Another important measure for the better Administration of Justice, was passed, making further reforms in the procedure of the Courts, removing to a large extent the anomaly of law and equity being administered in different Courts, and providing for the institution of a new Court of Error and Appeal, the judges of which Court would assist their colleagues on the Bench in the despatch of business in the Assize and other Courts when not engaged

in the
tion.
which
nerati
quiesc
streng
the ne
the ad
all per
of vex

In th
ed and
Marri
nor, si
obtain
the co
of th
grave
been
legali
cust
irregu
time,
tion o
their
provid
has ha
time i
all ma
tions

It w
Govern
and gu
the Ve
lations
correc
and a
whose
adopti
satisfac
fulfillm
officer

By
duty
Liquo
spect
the P
Counc
bodie
rests;
to rec
observ

An
the O
now u
Toron
House
Crawf
Govern
sioner
grants
Prison

chool Bills
laborious
ded over
ultimately
two Acts,
the School
le in the
c Instruc-
roduced,
ted in the
of public
sentation

ncorpora-
ed by the
ious ses-
or the in-
iations of
ectively.
deal of
outside
y made
nd were
g carried
d by the
ice of the
they be-
to cer-
Address
ession of
against
oved an
ment for
General's
defeated,
ed; and
irritating
the pas-
entioned.
odies to
eral Acts
e policy
impetus
en to the
various
eady in-
otion of

es which
ring pub-
ing, and
the ser-
ishments

for the
s passed,
procedure
e exten-
y being
s, and
a new
dges of
gues on
ss in the
engaged

in the exercise of their appellate jurisdic-
tion. The Government of the Dominion, on
which devolve the appointment and remun-
eration of the judges, having cheerfully ac-
quiesced in the proposed additions to the
strength of the Ontario Bench, the effect of
the new Act has been greatly to facilitate
the administration of justice, and to relieve
all persons having business with the Courts
of vexatious and expensive delays and costs.

In the same session, too, Mr. Mowat introduced
and carried a new Act vesting the issuing of
Marriage Licenses in the Lieutenant-Governor,
simplifying the proceedings necessary to
obtaining a marriage license, and reducing
the cost from six to two dollars (the fee
of the issuer). The same Act removed
grave questions which had for years
been occasioning distressing doubts as to the
legality of marriages solemnized under cir-
cumstances of informality or other legal
irregularity unknown to the parties at the
time, and rendering insecure the legal rela-
tion of the parties, and the legal status of
their children. The system which the Act
provided for solemnizing future marriages
has had the practical result of, for the first
time in the history of Upper Canada, placing
all marriages by the clergy of all denomina-
tions on the same footing.

It was in this session, likewise, that the
Government provided by enactment for a new
and greatly improved method of preparing
the Voters' Lists. The most stringent regu-
lations were made for securing an honest and
correct register of persons entitled to vote;
and a direct appeal to the County Judge,
whose certificate is needful to the final
adoption of the lists, affords an easy and
satisfactory mode of ensuring the proper
fulfillment of their duties by the municipal
officers.

By another Act of the same session the
duty of granting Licenses for the sale of
Liquor was taken from irresponsible in-
spectors, and placed within the control of
the Police Commissioners and Municipal
Councils; and these are now the licensing
bodies with whom the entire responsibility
rests; while the Government has taken power
to require the provisions of the law to be
observed.

The Half-holiday.

An amusing instance of the littleness of
the Opposition occurred during the session
now under review. On the day of the West
Toronto nomination of a member for the
House of Commons, consequent upon Mr.
Crawford's appointment to the Lieutenant-
Governorship, Mr. McKellar, then Commis-
sioner of Public Works, had considerably
granted the men employed on the Central
Prison, quite irrespective of their political

bias or convictions, a half-holiday, without
making a deduction from their week's wages.
This little act of indulgence entailed a charge
of about \$204 on the country. It would be
hard to say to what expense the Province
was put by the exhaustive efforts of Messrs.
Cameron, Rykert, and Lauder on the Public
Accounts Committee to investigate so harm-
less a proceeding.

The Fourth Session.

Reform Measures of this Session.

The measure of most importance this ses-
sion was the Act re-adjusting the represen-
tation, adding six new members to the
Legislative Assembly, and giving the seats
thus to be disposed of, as far as possible, in
accordance with the principle of Represen-
tation by Population.

The Municipal Loan Fund and Surplus
Re-distribution Act was amended to enable
the monies received under its provisions
to be applied at discretion to the creation
of school funds, or to the discharge by
townships of their share in a county debt.

An Act was passed enacting that the
Ballot shall be used in Municipal Elections.

The Election Law was further improved
by imposing additional checks against bri-
bery and corruption, and to facilitate the
procedure in trials.

The title to lands was made more secure
and less difficult of proof, by an Act which
lessens by one-half the time formerly allowed
for bringing actions against the persons
claiming to be owners in possession.

Besides these, there were Acts rela-
ting to the protection of apprentices and
minors, and other matters of a useful and
practical nature.

In the same Session the House mani-
mously approved of a new arrangement which
had been entered into between the Dominion
and Provincial Governments for the promo-
tion of Immigration. (*See Journals Assem-
bly*, 1874, p. 7.)

Railways.

The House also unanimously ratified
twelve Orders in Council relative to grants
to as many railway companies.—*See Jour-
nals Assembly*, 1874, 2nd Session.

It may be observed here that the admin-
istration of the Railway funds is shown to
have been judicious as well as impartial,
by the fact that, of 20 railways aided by
Orders in Council ratified by the Legis-
lature, two only have not yet made consid-
erable progress; while seven have been com-

pleted; and eleven have portions yet to finish. 852 miles of railway were aided from the "Railway Fund;" and more than one-half of that mileage has been completed; while 590 miles have been aided from the "Railway Subsidy Fund."

Financial Review.

In his Budget speech this session Mr. Treasurer Crooks gave a full and exhaustive review of the financial position of the Province; and there can be no better proof of the wise and statesmanlike policy under which such results have accrued than the figures afford.

When Mr. Crooks in the previous session, made his estimate of the probable revenue for the year, he put it down exclusive of cash balance in hand, at \$2,394,857. In the nine months ending September 30th, 1874, it had already reached \$2,413,228, and in the ten months ending Nov. 30 it had amounted to \$2,725,822; of this sum \$220,000, however, having been realized from exceptional sources. Allowing for all deductions, it is probable that the normal annual income of the Province may be confidently estimated at \$2,500,000, whilst the normal annual expenditure, exclusive of works on capital account, need not exceed some \$1,800,000. And of this sum, all that, according to the last estimates, goes to carry on the Government, and to provide for the business of legislation, and for the administration of justice is, \$450,449. With a large surplus and an income so ample for all ordinary purposes, the position of Ontario is one that any country in the world might envy.

The Provincial Assets

On the 30th September, 1874, include the following particulars:

Municipal Loan Fund Debts, as now re-adjusted, estimated worth	\$1,533,868 56
Funds in hands of Dominion at 5 per cent. interest—	
U. Canada Grammar School Fund	312,766 04
U. C. Building Fund	1,472,391 41
Ontario's 5-9 of \$1,345,644 42	
U. C. School Fund according to division heretofore acted upon	914,246 63
	2,699,407 08
Ontario's share of value of Library of Province of Canada, retained by Dominion	105,541 00
	\$4,333,316 64

SURPLUS REVENUE invested as follows:—

Dominion 5 and 6 per cent. Stock and Bonds purchased cost	\$2,747,805 01
Special Deposits in various Banks at 5 per cent.	1,593,348 69
Municipal 5 per cent. Drainage Debentures	89,448 47
Drainage Rent Charge, payable by Municipalities	190,284 07
Cash in Bank, at current account, 30th Sept., 1874..	185,670 05
	4,806,556 29
Premium over cost, at present market value, of the Dominion 5 and 6 per cent. Securities	267,113 09
Total	\$9,462,486 02

When Mr. Blake came into power, Mr. Treasurer Mackenzie found the cash on deposit was placed almost exclusively in the hands of the Bank of Montreal—the admirably managed banking institutions of Ontario deriving no advantage from the cash surplus belonging to their own people. Mr. Mackenzie immediately altered this system, and the result is the retention at the present time in Ontario of a million and a half of dollars of the Bank Deposits above mentioned which would, otherwise, have been in all probability sent out of the Province.

In estimating the assets, as above, no credit is taken for the several improvements which have increased the value of the property of the Province, and which in public works, public buildings, and colonization roads, will, at the end of 1874, represent an outlay of close upon \$3,000,000 since Confederation.

Previous to this Session the most absurd propositions had been laid down by Opposition writers and orators in order to show that the Province really had no assets at all. But, in the House, their efforts were chiefly directed to disputing the correctness of classing as assets the Trust Funds held by the Dominion, and of which interest is paid annually. And it was alleged that the amounts represented by these Funds were only added in Mr. Crooks' balance-sheet to swell the totals and create a false impression in the country. Discussion soon, however, dispelled these assumptions, the calculations of Mr. Crooks were fully justified, and the surplus of more than five millions of dollars was an effectual answer to all the lugubrious vaticinations of the alarmists. In fact, as Mr. Crooks showed by quotations from the speeches of Mr. Wood, the former Treasurer, these funds had been reckoned as assets from Confederation to the present moment. And, notwithstanding the heavy drafts upon the Treasury for appropriations sanctioned by successive Acts of the Legisla-

ture, and all fructifying to the infinite good of the country, there was actually on the 30th September, 1874, a larger surplus in cash or cash securities at the command of the Government by some \$750,000, than when Mr. Sandfield Macdonald resigned in December, 1871.

Appropriations and Liabilities to be paid out of above Assets or Otherwise.

Grants under "Railway Aid Fund" Act.....\$1,900,000 00	
Less paid to 30th Sept., 1874,	799,423 00
	\$1,100 572 00
Grants under "Railway Subsidy Fund" Act, being 2½ years' appropriations, to 30th June, 1874, at \$100,000 per annum..... 250,000 00	
Less, paid to 30th Sept., 1874	80,569 90
	219,430 10
Grants under "Municipal Distribution" Act 3,115,793 69	
Less, paid to 30th Sept., 1874,	724,673 30
	2 391,060 36
Total appropriations.....	\$3,711,062 46
The above described assets amount to.....	\$9,462,486 02
Leaving a surplus of.....	\$5,751,423 59

But the Province has also to provide for the amount due the Province of Quebec for her proportion of "Common School Fund" moneys collected by Ontario since Confederation, and which may be estimated as follows:

Total collected to 1st Jan., 1874.....	\$597,380 74
do. to 30th Sept., 1874	88,276 62
	\$683,657 26
Of which Quebec's share—say four ninths = ...	393,847 68
The Province has also promised Aid to Counties in Ontario under the Gas Inspection Act—estimated..	60,000 00
	\$333,847 68
NET SURPLUS	\$5,337,575 88

Annual Surplus.

The following table further illustrates the sound condition of our finances. It shows an annual surplus which has never fallen short of half a million of dollars:—

STATEMENT OF REVENUE AND EXPENDITURE.

	Revenue.	Ordinary Expenditure, including capital acct.	Surplus.
	\$	\$	\$
Year Ending 31st December, 1868...	2,260,176 49	1,132,335 78	1,067,819 71
Do 31st December, 1869...	2,625,179 29	1,444,608 83	1,180,570 46
Do 31st December, 1870...	2,500,695 70	1,580,663 21	920,032 49
Do 31st December, 1871...	2,333,179 62	1,816,866 78	516,312 84
Do 31st December, 1872...	3,060,747 97	1,847,956 57	1,212,791 40
Do 31st December, 1873...	2,962,315 56	2,460,212 23	502,103 33
Total.....	15,742,294 63	10,342,664 40	5,399,630 23
9 months to 30th September, 1874...	2,413,228 89	1,768,145 36	645,083 53
Total to 30th September, 1874.....	18,155,523 52	12,110,809 76	6,044,713 76

Expenditures on Capital Account.

Included in the above figures of "Expenditure" are the undermentioned items, which are really—investments on "Capital account," viz:—

1. For the improvement and erection of Public Buildings for various Provincial purposes.
2. For the Agricultural College and Experimental Farm.
3. For the construction of Public Works for Navigation and other purposes.

4. The cost of certain "Drainage Works," executed by the Government, repayable by an annual rental charge.

Of those items, Nos. 1, 2 and

3 amount for the 6 years to....\$2,239,575 11
The items No 4 amount to.... 190,284 07

Deducting these..... 2,479,851 18
from the total figures of expenditure given above in the table..... 12,110,809 76

there remains the sum of 9,630,950 58
as the actual expenditure of the Province for all its ordinary purposes for the entire period

named, as against a revenue of \$18,155,523, received during the same period. The large balance has enabled the Province to provide for distribution of so large a sum as \$3,115,732 amongst the municipalities for their local improvements, and for such liberal sums as have been set apart in aid of Railways, &c.

Expenditures in 1873.

Oppositionists refer to the large expenditure of 1873 as compared with 1871, but forget to point out that the principal items of increase were the following:

Education, exclusive of contingencies.....	\$106,847 06
Public Buildings.....	176,782 52
Emigration.....	129,465 95
Colonization Roads.....	90,540 96
Municipalities Fund.....	45,881 34
Asylum Maintenance.....	51,688 69

These items alone amounting to \$601,206 52 of the excess of the expenditure of 1873 over 1871.

The True Economy.

To make out the slightest appearance of extravagance, the opposition have to make the absurd assumption that expenditure means extravagance; they say that the present Government expended more money than their predecessors; and they argue that therefore they are more extravagant. But, obviously, it by no means follows that an increased expenditure does not involve a true economy; or that because the Government of Ontario spent more money this year than was spent four years ago, the country is poorer and much worse off on that account. The contrary is the case.

The prosperous merchant may remember the time when a shop boy was his sole assistant, and when 50 or 100 dollars a year may have sufficed to satisfy claims under that head of expenditure. But now that his business is enlarged, his expenditure under the head of "salaries" may require thousands a year to cover it. And no sensible man would remark: "that man is going to ruin; see, the amount of salaries paid by him 10 years ago was only \$50 a year, and now they reach \$3,000. He is very extravagant." The increased expenditure may be evidence of business energy and of large transactions; and may be a correct test of true economy. Saving or hoarding money is not always economy, and may be the reverse. The farmer does not practise economy when he allows his crops to shell upon the harvest field because he wishes to save the wages of the hands necessary to harvest them before they get over ripe. It

is no credit to a business man that he saves \$500 a year by dispensing with a book-keeper, if by doing without his assistance his books get behind, and he is unable to render and collect accounts. Bad debts to the amount of thousands of dollars in a year may be the inevitable consequence. Saving in this case would be extravagance of the worst kind. The mere comparison of figures is therefore not in itself a test of the praise or condemnation due to the management either of an individual or of the Government of the country. Increased expenditure may give a just claim to increased credit and higher statemanship.

Occasions of Increased Expenditure.

For instance, the support of our educational system in 1868 called for \$331,582. In 1875 the Government propose to spend a much larger amount, \$510,875, in providing for the education of the children of the people. The Government receive the revenue; and in the form of school grants return it to the people, to be spent in their respective school sections in stimulating intellect and diffusing sound and useful knowledge. Is the Government to be condemned because of their desire to improve our educational system by an increased grant of public money? Is this larger appropriation to be taken as proof of extravagance, and evidence of want of care or ability in their management of the finances?

In 1868 we had few charitable public institutions to support. We had neither the Lunatic nor the Idiot Asylum at London; nor the Asylum for the Blind, at Brantford; nor the Institution for the Deaf Mutes, at Belleville; nor an Inebriate Asylum, at Hamilton; nor a Central Prison at Toronto. We have all these Institutions now, and it requires money for their maintenance. The estimate for 1875 is \$369,485, more than double the amount spent for the same purpose seven years ago. To keep expenditure within the original figure would require us to close up those Institutions and send their inmates adrift. No member of the Opposition would undertake to move in Parliament, that any of these institutions are uncalled for and should be abandoned. But so long as they are maintained at the public expense, they will call from year to year for increased expenditures. We have now so many public buildings that even the annual repairs require no small sum.

The Government propose in 1875 to facilitate the settlement of our backwoods by constructing good colonization roads through them. If they construct next fall double the mileage constructed in 1868, they will of course need more money; the expenditure will necessarily be greater.

In 18
courage
Reform
810 on
which v
and to p
waste la
urging
importa
member
popular
in the I
for cons
As we
expense
Justice,
of Publ
Institut
and Cha
Univers
governm
square t
evitable

In
The n
illustrat
speech
lows:
area an
very im
increas
increas
cost of
ment ha
institut
don and
ronto, t
the Birm
Deaf an
all thes
imates
could u
series of
ernmen
family
therefo
penditu
years a
the Op
done, e
institut
her wa
the inc
cessiva
official
other
he are
popula
particu
would
postag
rowa
nce a

that he saves a boot-keeper, and his books to render and to the amount may be the worst kind. It is therefore either of an element of the may give a and higher

In 1868 not a dollar was spent for the encouragement of immigration. In 1875 the Reform Government proposed to spend \$121,000 on a vigorous system of immigration which would tend to increase our population and to promote a healthy settlement of our waste lands. Reformers have been always urging upon successive governments the importance of such a measure; and not a member of the Opposition dared risk his popularity by offering opposition to the vote in the House when the grant was submitted for consideration.

As we grow in numbers and in wealth, the expenses attending the Administration of Justice, the construction and maintenance of Public Works, the support of Mechanics' Institutes, Agricultural Societies, Hospitals and Charities; of Schools, Colleges and Universities must increase. Whatever government may be in power, they must square their policy with this, as with the inevitable.

Increased Expense of Living.

The necessity for increased expenditure was illustrated by the Hon. Mr. Fraser in his speech at Picton Sept. 19th, 1874, as follows: "In addition to the increase of our area and population, there were two other very important elements to account for the increased expenditure, and these were the increased cost of labour and the increased cost of the necessities of life. The Government had under their care a large number of institutions—Asylums for the insane at London and Toronto, the Central Prison at Toronto, the Agricultural College at Guelph, the Blind Institution at Brantford, and the Deaf and Dumb Institute at Belleville—and all these institutions contained unfortunate inmates who had mouths to fill, so that they could understand that the cost of the necessities of life came home to the Ontario Government as seriously as it did to any private family in the country. In this respect, therefore, it was impossible to keep the expenditure down to what it was five or six years ago, and he should like any member of the Opposition to suggest how it could be done, even if the number of patients in these institutions remained the same. The number was, however, increasing every year, and the increase in the number of patients necessitated an increase in that of nurses and officials. The same consideration applied to other branches of the public service. As the area of the country extended, and the population increased, the expenses of the departments must increase. More stationery would be used, and more would be paid for postage, telegrams, and so forth. In the Crown Lands Department the correspondence, and consequently the expenditure, a

increase with the number of settlers. The cost of labour had also increased largely during the last few years. The Government had a large staff of officials in not only the departments, but also in the numerous institutions throughout the Province. They knew that merchants paid more for clerks, and farmers and manufacturers more for workmen than they did five or six years ago. Sandfield Macdonald had, as Mr. Lander said, screwed everything down to the 'lowest minimum,' and the Government which succeeded him found it necessary to increase the salaries of the officials in order to keep them in the public service. He need not say anything more in justification of that course except this, that every member of Sandfield Macdonald's Government remaining in the House when the proposal was made—Mr. M. C. Cameron, Mr. Stephen Richards, and Mr. E. B. Wood—voted for all the increases except that in the salary of the Inspector of Prisons, which was opposed by Mr. M. C. Cameron. He pointed out that \$12,300 of the \$26,000 increase in legislation between 1871 and 1873 consisted of the \$150 extra paid by way of indemnity to each of the 82 members of the House, including each of those members of the Opposition who cried out so loudly about the increase, and not only took the extra amount, but asked the Government to propose it."

Crown Lands Expenditure.

The principal increase of expenses has been in connection with the Crown lands, and the Hon. Mr. Pardee, Commissioner of Crown Lands, has repeatedly shown in his speeches on various occasions how this increase is accounted for. The following is the substance of his explanation in a speech delivered by him in the fall of 1874 in Muskoka District. Speaking of the increased work which had been performed by the Department of Crown Lands, he illustrated the increase by stating that in 1870 the number of patents issued was 1611; in 1871, 1,923; while in 1872, the first year of the present Government, the number had swollen to 2,673; and in 1873, to 3,402—more than double the number issued in 1870; and he stated his expectation that in 1874 the number issued would exceed the number in 1873.

Another indication of the increase of work to which the Commissioner called attention was the number of letters received and answered by the Department. In 1870 the number of letters registered was 15,478; in 1871, 17,350; in 1872, 21,614; and in 1873, 24,618.

In reference to the outside work of the Department, the Hon. Commissioner compared the mileage of colonization roads made

and repaired under the two governments; and his figures show that in 1868 the extent of colonization roads made was 64 miles, and of roads repaired 50; in 1869 there were 83 miles made, and 47½ repaired; in 1870, 79 miles made, and 205 repaired; in 1871, 77 miles made, and 122 repaired. But in 1872, the first year of the present government, 204 miles were made, and 151 repaired; and in 1873, 236 miles were made, and 657 miles repaired; or, in other words, these figures show that *three times* the number of miles of road had been made in each of the years 1872 and 1873 that were made in the highest year under the preceding government; and that the number of miles repaired in 1872 and 1873 was largely in excess of previous years.

Where there is a vast increase in the amount of work done, there must be an increase in the cost of and incidental to the doing of it.

Drawing a comparison between the cost of the Departmental management of the Crown lands of Ontario, and that of the Crown lands of Quebec (which has always been under Conservative management), Mr. Pardee gave the following figures. From the year 1868 to 1873, both inclusive, the number of patents issued in Quebec was 4,104, while during the same period in Ontario the number was 14,614. The number of letters registered in the Department in Quebec during the same time was 35,840; while in Ontario the number was 106,857; showing that in both cases the amount of work done in the Ontario department was more than three times beyond what was done in the Quebec office; and notwithstanding which great difference in the work accomplished, the difference in the expenditure was only one-fifth; the Ontario department salaries costing only \$38,413, and the Quebec \$32,285.

Conservative and Reform Financing contrasted.

The expenditure of the first four years of Ontario Government is no test for a comparison between the merits of the two great political parties, (1) because the expenditure had to be limited not merely by a consideration of what amount might be expended with advantage to the public interests; but also (as Mr. M. C. Cameron has more than once publicly acknowledged) by considering the uncertainty which existed as to what the normal revenue and unavoidable expenditure would respectively be; and (2) because Mr. Sandfield MacDonald was not a Conservative and had never been one. He had, on the contrary, held, during all his political life, views opposite to those of Conservative leaders and representatives on the subject of public expenditure;

and there was no sympathy whatever between him and his followers on this subject while he held office in Ontario. During the whole of his administration of Public Affairs in Ontario, Conservatives used to complain of what they openly talked of as his excessive economy, amounting, they asserted, to meanness. Mr. M. C. Cameron is the only Member of that Combination who has a seat in the Local House; and he is a Conservative who believes that Conservatives were right in all the old struggles with Reformers.

With regard to public expenditure, what was the practice of Conservative Government under the actual or acknowledged leadership of Sir John A. Macdonald, supported by Mr. M. C. Cameron the leader of the Opposition to the present Government? That practice is in point for the purpose of the financial contrast in question.

The administration of justice cost \$356,530 in 1853, the last year of the old Reform Government. Conservatives obtained power in the following year, and the cost ran up to \$664,688 by 1862, which was their last year.

Legislation had cost \$264,949 in 1853, but ran up to \$432,048 by 1862.

The Provincial Penitentiary had cost the Province \$28,000 in 1853, and ran up to \$155,612 by 1862.

The Governmental Departments cost \$144,415 in 1853, and ran up to \$486,620 by 1862—an increase of 237 per cent.

The collection of Revenue from Customs, Excise, Public Works, and other funds, cost in 1853, \$366,345, (not including Territorial Revenue), and ran up to \$832,391 by 1862—more than 100 per cent.

In 1853 the expenditure for ordinary purposes was \$4,143,629, (including capital expenditures), but ran up in 1862 to \$10,218,863—an increase of 250 per cent in 8 years—or a continuous average of 30 per cent.

When Sir Francis Hincks led the Reform party in the olden time, he had his faults as he has had them since, but his faults at that time in regard to financial matters were slight as compared with those of his successors in 1854. When he went out of office in that year he left \$5,188,136, a surplus which had accrued from the ordinary revenue of the Province, after paying all the ordinary expenses. When Sir John A. came into power, this state of things was changed, and instead of an annual surplus, there soon was an annual deficit, which in 1862 was, according to Mr. Galt, five millions of dollars.

To meet the increasing expenditure the Customs duties were, from time to time, greatly increased, but the expenditure, notwithstanding, exceeded even the increased revenue by the enormous amount of \$9,311,026, which had to be met by borrowed money. The Provincial debt, under conservative management, rose, in 6 years, from

\$29,92
inter
per ce
provin
of the

By
lature
of 82
stitue
The l
gener
repre
and t
the g
numb
It has
this A
stitue
found
tage.

Ter
poses
may
maki
a right
ing,"
of the
ed fo
Ontar
prop
vant

Th
tem
of on
aver
mem
been
year
Elec
to w
purp
anne
the c
able
Cour
gene

T
and
Loc
was
men
dist
men
mon
sent
gerr

whatever be on this subject. During the Public Affairs, he complained of as his excesses, he asserted, the only person who has a seat is a Conservative. The Conservatives were with Reformers. The expenditure, what the Conservative Government acknowledged. Macdonald, supported the leader of the present Government. A point for the debate in question. The cost \$356,500. The Reform Government gained power. The cost ran up to their last year. In 1853, but

had cost the and ran up to the cost \$144,86,620 by 1862.

from Customs and other funds, cost the Territorial 391 by 1862—

ordinary paying capital expenditure \$10,218,000 in 8 years—per cent.

the Reform had his faults, but his faults in all matters were of his success. Out of office in 1866, a surplus of ordinary revenue. All the ordinary A. came into changed, and there soon was 2 was, according to dollars.

expenditure time to time expenditure, not the increased of \$9,311, borrowed money under conservation 3 years, from

\$29,922,748 to over \$70,000,000. The annual interest on this debt swallowed up nearly 60 per cent. of the whole gross revenue of the province from every source, or 75 per cent. of the whole less cost of collection.

Redistribution Act.

NO GERRYMANDERING.

By the Confederation Act the Local Legislature was to be composed in the first instance of 82 members representing the same constituencies as for the House of Commons. The Dominion Parliament, previously to the general election of 1872, added six seats for representation in the House of Commons, and the Ontario Legislature, previously to the general election of 1875, added an equal number for the purposes of the Local House. It has been said that the changes made by this Act were a *gerrymandering* of the Constituencies, that is, were arbitrary changes, founded on no principle except party advantage.

Territorial changes for representation purposes are not necessarily wrong though they may operate to the advantage of the Party making them. The English Reform Bill was a righteous measure and no "gerrymandering," though it added largely to the strength of the party to which the country was indebted for it. That the changes made by the Ontario Redistribution Act were just and proper, and have given no undue party advantage, is easily shewn.

NIAGARA AND ESSEX.

The most anomalous part of the old system was Niagara, which with a population of only 3,693, had a member for itself, the average population entitling a territory to a member being 18,418. This anomaly had been the subject of animadversion for 20 years. The new Act added the District for Electoral purposes to the County of Lincoln to which it already belonged for all other purposes. Was this gerrymandering? The annexation of Niagara to Lincoln increased the Opposition strength in Lincoln, and enabled a second member to be given to the County of Essex; and that County at the general election returned two oppositionists.

PARRY SOUND AND MUSKOKA.

The extensive district of Parry Sound and Muskoka had no representative in the Local House, and having peculiar interests, was supposed to need the attention of a member more perhaps than any of the settled districts. This district is represented by a member of its own in the House of Commons, and the Bill gave to it similar representation in the Local House. Was this gerrymandering?

DUFFERIN.

When the Bill for increasing the representation in the Dominion House was under discussion, all parties declared it desirable that, wherever practicable, a municipal county should have a member of its own. Neither the Dominion Act nor the Ontario Act attempted to carry out this principle by changing for this purpose the whole of the existing system; as the evils of such an extensive change would exceed its advantages. But a Bill for establishing one new county—the County of Dufferin—was before the Ontario House, and was to pass into an Act at the same session. The Bill was not a Government Bill, and its promoters were even opponents of the Government. A similar Bill had been brought forward in previous years, and was favored on every occasion by members on both sides of the House. The new County was to be composed of territory taken from the Electoral Districts of Grey, Simcoe, Wellington and Cardwell, and comprised, according to the last census, a population of 15,508, a number which exceeded the population in each of 22 existing electoral divisions. A member was therefore given to Dufferin, though a thoroughly Tory county. Was it gerrymandering to give a member of its own to Conservative Dufferin instead of leaving a portion of the county to each of four other electoral divisions? Dufferin returned a member who has been claimed by the opposition in every list heretofore published.

REPRESENTATION BY POPULATION.

The remaining new members were assigned to the counties entitled to them on the principle of representation by population. Was that gerrymandering?

RIDINGS.

With respect to the mode in which the Ridings were constituted in the various counties, interested in or affected by the additional representation, not a single motion was made by the opposition suggesting and specifying a better or fairer mode, except in the case of Grey, which is mentioned hereafter.

TORONTO AND SIMCOE.

Toronto might have claimed one of the additional seats, on the ground of population, but Toronto had two of its residents in the Government, and has always several of its residents in the House as representatives of other constituencies; and it was justly thought that Toronto might very well defer its claim to another member in favor of the county next in order of population, viz., Simcoe. Simcoe, which thereby got three members, returned three oppositionists at the late general election; and the two members returned by Toronto are of the same

party." Where does the gerrymandering come in ?

BROCKVILLE.

The electoral division of Brockville had a population of 10,475 only, while the electoral division of South Leeds, which it adjoined, and to which it belonged for municipal and other purposes, had a population of 20,717. The Act withdrew the adjoining river townships from South Leeds and added them to Brockville, making Brockville Division a constituency with 13,937, and leaving South Leeds with 17,254. It has never been suggested that if any addition was to be made to Brockville, any other arrangement for the purpose than that made, should have been preferred to it. The Party which complains of any change had, in former times, added the township of Niagara to the town of Niagara, the township of Cornwall to the town of Cornwall, and the township of Charlottenburg to the town of Brockville. Brockville, even as constituted for the House of Commons, returned a Reformer at the last Dominion election.

HALIBURTON.

The only other change of any importance was in adding the municipal county of Haliburton to the North Riding of Victoria, the two counties being already united for other purposes. Haliburton had a population of 2,211 only, while North Victoria had a population of 10,956—the two making together only 13,167. The county of Haliburton, with its little population of 2211, would otherwise have been divided for electoral purposes between three divisions, part belonging to East Peterboro, part to West Peterboro, and part to its own County of Victoria, an arrangement which gave to Haliburton, as a county, no representation at all, and ought surely to have been put an end to on the first convenient opportunity.

PETERBOROUGH.

The withdrawal of all Haliburton from Peterboro' rendered necessary the re-arrangement of the two ridings of Peterboro', and the division made was that which was geographically the most convenient, and resulted in as near an equality of population between the two ridings as was practicable, East Peterboro' having 14,193, and West Peterboro' 12,948. Both ridings as constituted previously had returned Reformers at the last Dominion election; and, as the Riding was constituted by the Act, one only at the last local elections returned a supporter of the Government. Where was the gerrymandering ?

GREY.

The division of the remainder of the county

of Grey, in order to give to the county an additional member, was the same as already existed for the House of Commons, with the exception of one township—the township of St. Vincent being added by the Act to the North Riding, instead of the township of Holland—the latter township being united by the Act with the East Riding. This change was made because, independently of party considerations, the new arrangement was more convenient for the electors of St. Vincent, and not less convenient for those of Holland; the latter having a railway which connected it with the East Riding, and with the point (Flesherton Village) in the East Riding at which the elections are held; while St. Vincent had no such advantage, and had not even a good road of any kind connecting the township with that point. Mr. Scott, the Conservative member for North Grey, (which, before the Act, included both townships,) was against the proposed arrangement, but stated in his place in the House, that it would make no difference to him politically; and, accordingly, at the late general election he was returned for the one Riding, and another oppositionist, Mr. Lauder, was returned for the other Riding. Is there any sign of gerrymandering yet ?

WELLINGTON, SIMCOE, GREY AND CARDWELL.

The Districts of Wellington, Simcoe, Grey and Cardwell lie together and returned eight members before the Act, and five of these were opponents of the Government, namely, Messrs. McGowan, Ardagh, Boulton, Lauder and Scott. The formation of the municipal County of Dufferin rendered other changes necessary in order to remove the irregularities thereby created in the populations of the respective electoral districts into which the four districts were divided. No motion was made by the opposition (except in the case of Grey) suggesting any other divisions than those proposed by the Bill; and that they were not made in the interests of party, appears further from the fact that under the new arrangement the same territory returns 11 members, of whom 8 are members claimed by the opposition, viz. : Messrs. McGowan, Kean, Long, McDougall, Flesher, Scott, Lauder and Barr; and three only are given to the Government, as before the Act; so that, while the Government has as the result of the last general election a majority in the new House as large as they had in the previous House, all the additional members from this territory are oppositionists. Yet there is a talk of gerrymandering ! There is not the shadow of ground for the pretence.

Powers of the Legislature of Ontario.

An absurd objection has lately been raised to the power of the Legislature to make any change in regard to territorial representation. The Legislature of U. C. before the union had this power; the Legislature of the Province of Canada before Confederation had it; and the other Provinces of the Confederation confessedly have this power still (B. N. A. Act, section 64, sub-section 88). The 92nd section of the Confederation Act expressly gave to (or recognized in) the Legislature of each of the Provinces, including Ontario—(the Legislature in the case of each of the other Provinces consisting of its Lieut.-Governor, Legislative Council, and House of Assembly; and in the case of Ontario, consisting of its Lieutenant-Governor and House of Assembly only) power,—subject to the veto of the Governor-General acting under the advice of his Privy Council—to make laws in relation to "The Amendment from time to time, (*notwithstanding anything in this Act*) of the Constitution of the Province, except as regards the office of Lieut.-Governor." No words could be more clear than these.

There are some previous sections which recognize expressly (*ex abundanti cautela*) the power of the Legislature of Ontario to alter them; and then comes this general clause extending the power to the local constitution generally, excepting only as regards the office of Lieut.-Governor.

The section uses the word "amendment," which, by invariable usage in regard to statutory enactments and the like, includes amendment by alteration as well as by addition; and it is plainly this 92nd section to which the 64th section refers in speaking of the Constitution of Nova Scotia and New Brunswick being "altered under the authority of this Act." This is a distinct legislative interpretation of the word "amendment" in the 92nd section, which alone contains the authority "to alter" to which the 64th refers. But no legislative interpretation in the Act itself is necessary for recognizing the meaning of so old, common, and definite a legislative and legal term as the word "amendment."

The objection which has been made to this obvious construction, has for its only foundation distrust of a Constitution which does not provide for an expensive and useless second chamber; but, if the proposal had been made to the people of Upper Canada that a second chamber should be dispensed with as part of its local constitution on condition of the power of its Legislature being on that account restricted, and of certain powers entrusted to its own Legislature in times past, and to be entrusted to the Legislature of each of the other Provinces still,

being kept from Ontario under the new system, and reserved in its case alone for Imperial consideration and action,—the people of Ontario (with one possible exception) would have rejected with scorn the proposed degradation. The people of Upper Canada in accepting Confederation meant, as did every body concerned in the matter (with that one possible exception), and as the British North America Act plainly provided and was intended to provide, that the local Legislatures, however constituted, should (subject as respects Quebec to one restriction, s. 80) be on the same footing, each with the others; and that the Lieutenant-Governor and one Chamber of Ontario should have the same powers as the Lieutenant-Governor and two chambers were to have in either of the small Provinces of Nova Scotia and New Brunswick, which preferred two Chambers.

The 41st resolution passed by both branches of the Canadian Legislature in 1865, and on which the B. N. A. Act in 1867 was founded, provided that "the 'Local Government and Legislature of each Province shall be constructed in such manner 'as the existing Legislature of each such 'Province shall provide'; the 42nd resolution provided that, "the Local Legislature shall have power to alter or amend their Constitution from time to time;" and the 43rd resolution enumerated the other powers which the Local Legislatures were to have.

In the following year both branches of the Legislature of the Province of Canada passed resolutions reciting the forty-first resolution of the previous year, and providing according to its terms for the manner in which the Local Government and Legislature of Ontario and Quebec respectively should be constructed; but not pretending to abrogate, nor did anybody then indicate a desire to abrogate, the forty-second resolution of the previous session, which had reserved to the Ontario Legislature, in common with the other Local Legislatures, the power of alteration from time to time subsequently, as the wishes and interests of the people should require.

The British North America Act, afterwards passed to carry into effect the intentions of the Provinces, incorporated and included in its 92nd section already quoted, both the 42nd and 43rd resolutions of 1865; the first clause of the section embodying in legal language the 42nd resolution, and the subsequent clauses containing an enumeration of most of the subjects of legislation which the 43rd resolution had set forth.

The power of amending the local Constitution by altering the territorial representation in the Local Legislature, is in fact, as plain and certain as any other power secured

to the Provinces under the Confederation Act, and is no more likely to be abused to the public detriment than are the other important and extensive powers which the Local Legislatures possess. The power of making the alterations which circumstances or experience might render necessary, had to be placed somewhere. It was not given to the Dominion Parliament; and as between, on the one hand, the Imperial Parliament, located 3,000 miles away, and necessarily knowing far less of our needs than we do ourselves; and on the other hand, our own Legislature, consisting of the elected representatives of our own people and a Lieut.-Governor, appointed by the Dominion Government in which we have a voice,—it was thought by all parties to be better, and it was better, that the power should be on to the Local Legislature, subject only like its other Acts to the veto of the Governor General in Council.

Works Without Tenders.

The Opposition urge as a charge against the Government that various public works were undertaken by the Government without advertising for tenders, and amongst others the Normal School at Ottawa, and the Inebriate Asylum at Hamilton. The truth, however, is, that tenders were duly advertised for in both cases.

Tenders were not advertised for in the case of the works necessary for the completion of the Central Prison, and the reasons are thus stated by Mr. Treasurer Crooks, in his address to the electors of South Oxford (an address which has been freely used elsewhere in preparing this paper):

The contractor, Mr. Elliott, was to have finished his contract by the 1st July, 1873, and on the faith of his doing so, the Government had entered into a contract with the Canada Car Company for hiring to them the labour of the prisoners, which contract was authorized by the Legislature on the 26th Feb., 1873, and provided for partial possession by the Company on 1st July, 1873, and for completion of the principal works by 1st October, 1873, with a view to the supply of prisoners for labour commencing on 1st January, 1874. But Elliott did not finish the works he had contracted for by 1st January, 1873; and, the Government architect having reported that he was not proceeding with the diligence necessary, the Government had no alternative but, in the interests of the Province, to take the work out of Elliott's hands. This was done under a clause contained in the contract entered into with him by the previous Government, which is to the effect, "that if by the report of the architect it should appear that

the rate of progress was not such as to ensure the completion of the works within the time prescribed, the Commissioner was authorized to take the work out of the hands of the contractor, and to relet the same to any other contractor WITHOUT ITS BEING PREVIOUSLY ADVERTISED, or to proceed with the completion of the works at the expense of Elliott."

Now it is to be observed, that the statute does not require advertising for tenders in all cases, and expressly dispenses with advertising "in cases of pressing emergency, where delay would be injurious to the public interests; or where from the nature of the work, it can be more expeditiously and economically executed by the officers and servants of the Department."—32 Vict., cap. 2, sec. 19. The omission to advertise for the completion of the Central Prison works was because, in the judgment of the Commissioner, the case was "of pressing emergency, where delay would be injurious to the public interests," and "where, from the nature of the work, it could be more expeditiously and economically executed by the officers and servants of the department." It would have been impossible to complete the necessary works connected with the Prison without much additional delay, had advertising, tenders, and a new contract been resorted to in lieu of Elliott's. The course pursued enabled the works to be completed in the shortest time, and at the cheapest rates, practicable. The Province gained by that course both in time and money; and every allegation to the contrary is factious and untrue.

Part of the work was done by Messrs. Dickey, Neill & Co., ironfounders, at the same rates as they were doing like work for others. In view of the attacks upon the present Government for employing that well-known firm, it is a curious fact, that the firm did work under Mr. Sandfield MacDonald's Government, as well as the present Government, without advertising for tenders. The work done in that way under the former Government, amounted to \$23,937; and this sum included an item of wrought-iron bars, 68,540 lbs., which by agreement with the then Commissioner they furnished at eight cents per lb., or \$8 per 100 lbs., while it cost these gentlemen only \$1.96 per 100 lbs. Their only duty was to lay down these bars on the premises; they were "fixed" by other contractors.

Central Prison.

It is pretended to find evidence of mismanagement and corruption on the part of the Government in the cost of the Central Prison. The truth is that, on the contrary, their method of dealing with and giving part

effect
pres
sent
cong
Pris
deta
answ
whic

Le
pos
McD
At di
small
estim
been
in all
\$93 t
prison
crime
prison
of the
or \$10
maint
\$45,00
of the
was su
of the
It is
was to
hands
only, o
on it; a
quene
work o
contract
bargain
charge
The
a vote
the cos
an inst

Why

The v
Elliott
under a
contract
Mr. Sa
Sept. 18
The 2
as follo
"archit
"emplo
"behal
ment
works
tion o
presen
part

as to ensure
within the time
authorized to
of the contrac-
other contrac-
USUALLY ADVER-
tise of the

t the statute
tenders in all
with advertis-
agency, where
public inter-
of the work, it
economically
servants of the
sec. 19. The
completion of
because, in the
the case was
the delay would
interests," and
work, it could
economically ex-
servants of the
been impossible.
works connected
each additional
and a new
of Elliott's.
the works to be
me, and at the
The Province
me and money;
bitrary is factious

me by Messrs.
unders, at the
g like work for
acks upon the
employing that
ious fact, that
Sandfield Mac-
as the present
ing for tenders.

under the former
1,937; and this
ght-iron bars,
ment with the
nished at eight
s., while it cost
3 per 100 lbs.
down these bars
fixed" by other

son.

vidence of mis-
on the part
t of the Central
on the contrary
with and giving

effect to that legacy left to them by their predecessors is a matter for which the present Government are entitled to special congratulations and confidence. The Central Prison has been well and cheaply built. A detailed history of the Prison will afford an answer to every charge in connection with it which the opposition have made.

The First Project.

Let it be remembered that the first proposal of the Government of Mr. Sandfield MacDonald was to build three central prisons at different points. These would have been smaller prisons; the Inspector of Prisons estimates that the cost of them would have been not less than \$225,000 each; or \$675,000 in all, instead of which it has cost only \$421,893 to complete and furnish the one large prison which the Sandfield MacDonald Government ultimately substituted for the three prisons. The annual cost of maintenance of the three prisons would have been \$35,000 or \$105,000 in all, while the cost of annual maintenance of the present prison is at \$45,000. It was fortunate for the finances of the country that the Reform opposition was successful in compelling the abandonment of the first scheme.

It is pretended that the present scheme was to have cost, and would have cost in the hands of the former Government, \$150,000 only, or one-third of what has been expended on it; and that the difference has arisen from unnecessarily and wrongfully taking the work out of the hands of Mr. Elliott, the contractor, and entering into an improvident bargain with the Canada Car Co. This whole charge is baseless.

The late Government, when they asked for a vote of \$150,000, had no estimate of what the cost would be; and that sum was only an instalment of the amount necessary.

Why Taken from the Original Contractor.

The work was unavoidably taken out of Mr. Elliott's hands by the present Government under an express provision to that effect in the contract which had been made with him by Mr. Sandfield MacDonald's Government (13 Sept. 1871.)

The 2nd clause of that contract provided as follows: "That if, by the report of the Architect, engineer or person in charge employed by the said Commissioner in that behalf, it shall appear that the establishment and rate of progress at and in the said works, are not such as to ensure the completion of the same within the time herein prescribed, or if the parties of the first part shall persist in any course violating

"the provisions of this contract, Her said Majesty, shall have the power, at her discretion, by the said Commissioner aforesaid or his successors in office, without previous notice or protest, and without process or suit at law, either to take the work or any part thereof, out of the hands of the parties of the first part and to relet the same to any contractor or contractors without its being previously advertised, or to employ additional workmen, and provide materials, tools and other necessary things at the expense of the parties of the first part; and the parties of the first part in either case shall be liable for all damages and extra costs and expenditure which may be incurred by reason thereof; and shall, in either of such cases, likewise forfeit all moneys then due under the conditions and stipulations or any or either of them herein contained." Also 3rdly "That in case of failure in the contract, the parties of the first part shall thereby forfeit all right and claim to the said 15 per cent. or any part thereof, remaining unpaid, as well as to any moneys whatever due on this contract."

That contract provided for the completion of the work on the 1st July, 1873. The work was not completed at that time. Elliott had done some work on the premises which had not been provided for by the stipulations, and other work in regard to which there was a question as to its being within the contract, and it was found that some additional works were necessary for which the contract had not provided. A supplementary agreement was therefore entered into with him on the 3rd July, 1873, to settle all these matters; and Elliott thereby agreed to complete the work by the 1st October, including all the alterations and additions, according to the terms, conditions and stipulations of the contract of the 13th September, 1871.

The slowness with which Mr. Elliott thereafter proceeded with the work was a frequent subject of complaint and expostulation on the part of the Commissioner and the officers of the Government. At length on the 13th September, 1873, Mr. Tully reported to the Commissioner that "the establishment and rate of progress at and in the Central Prison works are not such as to ensure the completion of the same on or before the 15th day of December next." On the 18th September the Commissioner communicated this report to Mr. Elliott with the following letter:

"Toronto, 18th September, 1873.

"SIR,—I have the honor to inform you that Kivas Tully, Esq., the Architect in charge of the Central Prison works has reported to me that the establishment and rate of progress at and in the Central

"Prison works, which you have contracted to construct and complete, are not such as to ensure the completion of the same on or before the 15th day of December next.

"You are aware that the engagements of the Government with reference to this prison, are such, that the completion of the works by the time above specified is absolutely essential.

"Under your contract everything should have been done by the 1st day of July last. I have, as long as possible, forbore from acting upon the powers conferred upon me by the contract, but am now compelled, by regard for the public interest, to put the rights of the government in force. I therefore notify you that, in the exercise of the powers conferred upon me by the said contract, and otherwise possessed by me acting in the premises for the Government of Ontario, I hereby take the said works out of your hands, and notify you, that the various clauses of the contract, providing against your default, shall be enforced and that you and your sureties will be held answerable for all damages occasioned by your breach of contract."

"Your obedient servant,

"ARCH. McKELLAR,"

"Commissioner."

"JOHN ELLIOTT, Esq., Contractor."

"Central Prison, Toronto."

It was plain to everybody that the completion of the works within the shortest possible time from this date would be by making use of the provision which the preceding Government had made in the contract and which authorised the Government to employ additional workmen and provide materials, tools and other necessary things, at the expense of the contractor.

Subsequent Proceedings.

Accordingly, one of the most experienced and energetic contractors in the Province was at once engaged to superintend the work at daily wages. The sub-contracts which Mr. Elliott had entered into for the carpenters' and joiners' work, the plumbing and heating, the iron-work, the painting and glazing and the plastering were taken advantage of and acted upon; tenders were at once advertised for and accepted with respect to various other matters, viz.: the slating, the tin-smiths' work, the sheet iron for the roofs of the corridors, the filling in and levelling within the yard, and the supply of wood, gravel, rubble stone and broken stone required (p. 66); the staff of workmen was almost doubled, and every effort was made by the Government and its Officers to compensate

for the loss of time which the contractor's want of energy had occasioned; tho', commencing at so late a date, it was found impossible, even under these favorable circumstances, to finish the buildings by the time appointed. (See Inspector's Report, 1872-3).

The Cost of the Works.

The sum named in Mr. Elliott's contract was \$129,321, and was for little more than the shell of the principal buildings; and very many things not provided for by that contract had to be done to give to the work the character of a prison at all. The actual expense of the prison has been \$421,898. The difference was for the necessary cost of works and machinery which were absolutely required and which were not included in Elliott's contract. The pretence that for the works which were to have cost \$129,321 or \$150,000, the present Government had paid \$421,898 is a pure invention and utterly false. If what was to have cost \$129,321 has cost any more, the contractor is responsible for the difference; and it is by necessary additional works and some alterations in the original specifications, and for the machinery needed, that the bulk of the increased expense has been incurred.

Mr. Elliott's original contract was for \$129,321 00
Machinery and lands in original appropriation of McDonald Government 36,000 00

But the original specifications did not include even iron cell-doors, locks, gratings, &c., and these have necessarily cost 21,496 69

The water-supply for the prison was not provided for (see Mr. Tulley's letter of May 14, 1873, and Public Works Report 1871) and has cost 12,500 00

The extra foundations and levelling out had to be provided for, the plans and specifications having, as Mr. Tully says, in his letter of the 14th May, 1872, to the Commissioner, and of the 21st May to Mr. Elliott (brought down to the House 25th Feb., 1874, see p. 77,) not been prepared before the site was finally determined upon; and additional foundations and drains were required; these necessarily cost \$18,000 00

The gas and fixtures for the shops were not provided for and cost 802 00

Cut stone jambs for cells and windows had to be provided for the prisoners' safe keeping (see Mr. Langmuir's letter of 21st

May, 1872, and Mr. Tulley's of 17th July, 1872,) in place of brick with a stone inserted for the hinges and bolts, these alone being required by Elliott's contract, and experience elsewhere having shown them to be insufficient. These cut stone jambs necessarily cost...

Drains and other extras were omitted from the contract and had to be provided for at a cost of

Necessary superintendence was omitted to the amount of.....

Various necessary internal structures were omitted in the main buildings and wings, and they cost.....

These last mentioned eight sums alone making an addition of \$96,895 65, and were absolutely necessary for the completion of the buildings erected under Elliott's contract. But various other structures were absolutely needed before the prison could be used, and which the Sandfield Government or any other would have had to provide, and which nobody hitherto has pretended to have been useless or unnecessarily added.

These comprise laundry, coal-sheds, bakery, water-closets, &c., which necessarily cost.....

Fence around prison lot, road-grading, &c., were necessary, and not having been provided for, cost.....

Railway track for coal and wall extension had not been provided for and cost.....

These three sums make a further necessary addition of..... for which any government would have had to provide before the prison would have the character of a prison, or could be used as such.

These facts and figures demonstrate that the buildings could not have been completed under the first contract for less than..... instead of the pretended \$150,000 00, and without taking into account the works and alterations needed for the trades which should be carried on, or for additional cells.

An additional tier of 84 cells was added by the present Govern-

ment, at a cost of about..... 27,000 00
This had nothing to do with the contract with the Car Co., or with taking the contract out of Elliott's hands.

This new tier of cells was undertaken with the sanction of the Legislature, as being a great saving as compared with the expense of erecting a separate building, which would have involved several times the cost. The cost of the 250 cells provided for by the original contract was, say \$150,000 or \$600 each. The cost of this tier, 84, was \$27,000 or less than \$325 each. The economy of making this addition is therefore manifest.

A wind-storm occurred in 1873, doing extensive damage to the works, which had to be repaired at a cost of about..... 13,000 00

\$338,216 65

These two sums of \$27,000 and \$13,000 were of course not provided for in the \$150,000.

The previous Government had not definitely decided on the trades, though car-building is stated by the Inspector in his report for 1871 p. 90 to have been in contemplation by that Government; and consequently only provision was made in the \$150,000 for partial motive power and running machinery. When the trades, in which the prisoners were to be employed, were determined upon, it became necessary to complete the shops and grounds in a way to suit these trades, and to put plant and fixtures in the buildings for the same purpose. The nature of these changes depended on the kind of work which should be chosen for the prisoners.

To accomplish the object the following expenditure had to be incurred, and would have been incurred by any Government which decided on car-building as the work to be done in the prison, or on any class of industries for working in iron, brass, metals and wood on a large scale (see Mr. Langmuir's letter of 14th May, 1873, p. 91.)

The warehouses mentioned in Elliott's contract had to be converted into a foundry (see Mr. Langmuir's letter of 25th Sept., 1872, p. 80,) at an expense of about..... 11,000 00

21,000 00

15,321 00

3,275 96

3,500 00

16,500 00

8,500 00

11,000 00

36,000 00

\$293,216 65

Two shops built by Elliott had to be altered and strengthened for the manufacture of iron-ware and heavy wood-ware, at a necessary cost of..... 12,000 00

Extra railway tracks had to be laid at a necessary cost of..... 6,000 00

Two frame sheds had to be erected and fixtures placed in them at a necessary cost of..... 8,600 00

A frame fence had to be built to enclose a lumber yard at a necessary cost of..... 2,500 00

Fans, hoists and other stationary plant had to be placed in the foundry and shops at a necessary cost of..... 7,000 00

Additional furniture had to be provided for the new cells, and the warden's quarters, the dormitories, office, kitchen, &c., at a necessary cost of..... 5,909 00

Shafting, pulleys, belting, &c., had to be provided for the shops and cupolas, cranes, tanks &c., for foundry and additional machinery, to \$23,000 voted in 1871, 18 344 00

Extra superintendence, advertising, printing, and sundries, involved a necessary cost of..... 12 325 76

\$83 675 78

It is by means of all these particulars that this legacy of the Sandfield Macdonald Government necessarily led up from that first instalment of \$150,000 to the sum of..... 421 898 43

If to that sum you add for prison clothing..... 4 500 00

which should have been charged to the maintenance account in 1874, you have the sum of..... \$426 398 43 which is generally stated to be the expense of the prison.

Character and Value of the Works.

The work has been well done, and presents a striking contrast in that respect with the London Asylum and other buildings erected in the time of the Patent Combination Government. The works as they now stand complete and convenient, as well as substantial; every arrangement is the best practicable for the safety and instruction of the convicts; for economy and efficiency of management; as well as in general adaptation to the objects of the prison. The various works and buildings, as they are now completed, "render the Central Prison the most complete Industrial Prison on the continent; not only with regard to the interior accommodation, and the cubic feet of air space contained in each cell, but with re-

gard to the arrangements of workshops and offices, a minute examination having been made of a large number of such Institutions in the United States, the errors and defects in their constructive arrangement, have been avoided, and the whole system of construction based upon the most approved models."—*Inspectors Report*, (P. 132.)

The Warden of a prominent Prison in the United States, on a late visit to the Ontario Central Prison, said, that on the American side of the line the cost of the work and machinery would have been a million of dollars. The true value is certainly quite equal to the actual cost. Not a building is useless—not an expense has been unnecessarily incurred—not a piece of machinery could be without injury dispensed with. For those who know the facts, to say that all might have been done for \$150,000, is a deliberate attempt to deceive the people.

Canada Car Co.

It is sometimes pretended that the rate of pay for which the Canada Car Company contracted is too small. But, on the contrary, it is 50 per cent. beyond the rate obtained by Sir John A. Macdonald at the Kingston Penitentiary though the labour there is more valuable, from the prisoners being in prison on longer sentences. The rate is higher than at many of the United States industrial prisons, and equal to the average of the most efficient there (taking into account the difference of currency), without making any allowance in our favour for the greater money-value of labour in the United States, and the larger market which exists there for the articles manufactured. The Ontario contract provided a sufficient rate to make the prison more than self-sustaining; and all that is aimed at in the best prisons is to make them self-sustaining.

Reference has been made to an industrial prison—that at Detroit—as yielding one year a surplus of \$15,000. But that was an exceptional year; and the Detroit prison is an exceptional institution. For the last two years the surplus has not exceeded half that sum. But the receipts of the Institution comprise an allowance made by the outlying counties of the State for the board of the prisoners which come from those counties. If a similar charge were made against our outer counties, the Ontario Central Prison also would have a surplus; and without this item the Detroit institution would have no surplus any more than ours.

The Fence.

Another work, to which the Opposition take exception, is the fence around the Parliamentary and Departmental buildings. The

shops and
aving been
h Institu-
errors and
ngement,
ole system
most ap-
(P. 132.)
son in the
ne Ontario
American
k and ma-
of dollars.
ual to the
eas—not
e without
who know
been done
pt to de-

te rate of
pany con-
ntrary, it
ed by Sir
Peniten-
valuable,
on longer
than at
l prisons,
t efficient
erence of
wance in
-value of
e larger
e articles
provided
more than
at in the
staining.
Industrial
one year
an excep-
years the
am. But
uprise an
unties of
ers which
ar charge
ties, the
ve a sur-
oit insti-
more than

opposition
the Parli-
gs. The

cost was \$1.43 per foot. The builder, Mr. McDonald, was a good workman, and well known for his skill and integrity. He had been frequently employed by the departments under Sir John A. Macdonald to perform Government work. The Commissioner, Mr. McKellar, desiring a good fence, and its prompt completion, proposed to construct it through the Department of Public Works, employing McDonald to superintend its construction. The architect, Mr. Tully, who had been appointed by the former Government, and had had much experience, thus explains the matter in his evidence before the Public Accounts Committee (*See Appendix Journals, 1874, p. 63*):—"In consulting with the Commissioner, we thought it better to get Mr. Macdonald to superintend it, and purchase the material ourselves, and have it done by day's work. When Mr. Macdonald came, I made this proposition to him. He refused to do in that way, and made an offer to do it by contract. . . . We could have got lower tenders than Mr. Macdonald's, \$1.43 per foot, but I do not think it would have been done as well; I know Mr. Macdonald to be a good workman." Mr. Tully swore also that it was on his advice that Mr. McDonald's tender was accepted, that he made this recommendation considering that the price was a fair one, that if lower tenders were obtained, the work would not be well done.

The Commissioner acted on the recommendation of the architect and accepted McDonald's tender. The evidence showed that Mr. McDonald was an uncommonly good and reliable man for such a work, and that he had had thirty years experience in fence building and contracting. Mr. Tully swore, that, looking into all the items after the work had been done, he continued of the opinion that the price paid was a fair price for it.

Mr. Joseph Sheard, the well-known architect and contractor, was another witness who testified to the fairness of the price paid to McDonald. Mr. Sheard had had forty years experience as an architect and contractor, and no man in Toronto is more competent to give an opinion on such a matter, or has a higher reputation for the honesty of the opinions which he expresses. He swore that he did not consider \$1.43 at all too much for the fence, that it was a fair price for it, that the work had been well done, and that the Government had got as good, or better, value for the work than in the case of any other work.

There were other witnesses. Those who named a lower price said that competent persons would be sure to differ in their opinions, and that the witnesses who maintained the price paid to have been fair and reason-

able were competent judges and reliable men.

The weight of testimony was that the price paid was reasonable, and all the witnesses agreed that the work had been well done.

A single gateway, which a Conservative Government erected in the fence round the Public Buildings at Ottawa, cost twice as much as the whole fence in question.

Agricultural School and Model Farm.

The Reform Government has been blamed by its unscrupulous opponents for the removal of this Institution to Guelph. The truth is, that the Government is entitled to special credit for relinquishing the land at Mimico, it being wholly unsuited for the site of the School of Agriculture and Model and Experimental Farming, and for obtaining for that important Institution the premises at Guelph, purchased for the purpose from F. Stone, Esq., who, it may be noticed, was and is a strong Conservative and opponent of the Government. A simple narrative of the facts is sufficient to demonstrate the purity of motive which governed the whole transaction, and the determination of the Government to prefer in this matter, as in all other matters, the public good over all party and personal considerations, where these happen to seem in conflict.

The present Government has not the credit of originating the idea of establishing this Institution; Mr. Sandfield McDonald's Government being entitled to that credit: but his successors have willingly carried out the policy of his Government in the matter, with such variations only as were necessary to render that policy a success. There are several institutions with like objects in Great Britain and Ireland, as well as on the continent of Europe, and in the United States of America; and some of these have already done, and are doing, a most useful work. In 1862 the Congress of the United States, in order to encourage such institutions, made a munificent land grant to every State for the purpose; and some of the institutions created or formed by this grant have been very successful.

The Mimico Purchase.

Accordingly, in 1871, the Ontario Legislature appropriated \$100,000 for an Agricultural College and Farm. Mr. Sandfield McDonald's Government determined to locate the College within ten miles of Toronto, and, having called for tenders accordingly, 600 acres were obtained near Mimico, in the Township of Etobicoke, and about six miles from

Toronto, at a cost of \$45,900. Plans of the necessary buildings were then completed, and tenders being advertised for, were received on 15th November, 1871; a tender of \$47,900 for the erection of the proposed buildings was accepted, a contract founded thereon was entered into, and the contractors commenced delivering their materials; but, owing to the severity of the weather, no work was done on the ground before the House met in December, 1871. The Government architect reported these facts, and reported that in addition to a re-vote of \$52,650 (the unexpended balance of the \$100,000), the further sum of \$44,774 would "be required for drainage, "water supply, heating apparatus, farm "buildings, fences, roads, plans and superintendence, furniture, planting, &c., estimates "of which [he said] had been made, to be "included in the appropriations for 1872."

But before anything further was done, the Patent Combination Government, happily, was defeated, and Mr. Blake's Government was formed.

Position of the New Government in the matter.

The site having been selected, and a contract for the buildings entered into, it would have been a comparatively easy task for the new Government to let the matter take its course, leaving the responsibility and blame with their predecessors in case the project should fail through the unsuitableness of the site. No member of the Government had any personal or political object to gain by a change. The premier, Mr. Blake, and his successor, Mr. Mowat, were residents of Toronto; and if they had any personal interest either way, it was that that city should retain the advantage of having the Institution in its vicinity. Mr. Crooks was also a resident of Toronto, and represented one of its Divisions, and would, by any change to the prejudice of the city, be weakening his position at another election. Several members who supported the Government represented constituencies having, or supposed to have, a local interest in the Mimico site being retained, and their votes and influence would naturally be against any proposition for removal to a distance, and would swell the Opposition vote on the question.

But on the other hand, if the selection of Mimico had been a blunder, and if the public interests required some other locality to be substituted, it was felt to be the duty of a good Government not to shrink from the responsibility or hazard of taking the steps necessary for the purpose.

Mr. McKellar, the new Commissioner of Agriculture, was a practical farmer and had not formed a favourable opinion of Mimico as a site for the Institution; but the matter

was too important, in the interests of Agriculture (our principal industry) and of the Agricultural classes, who constitute so large and important part of our population, to be decided on the judgment of any one person. Mr. McKellar, therefore, in order to obtain an opinion from the most competent authority, an authority free from suspicion of political bias, applied on the 2nd February 1872, to the Council of Agriculture for their judgment on the matter, that body being composed of men of both political parties; most of its members being practical farmers; and being chosen by farmers to represent their interests and wants.

Reports of the Council of Agriculture.

The Council accordingly examined the Mimico farm, and they reported it to be "unfit for the purposes intended," and gave their reasons at large. They were of opinion that "the locality is not such as to render "it desirable for an Agricultural College;" that "the soil is bad;" that "there is no "living water on the farm, so that the necessary supply could only be had at great continuous cost;" and that "there seemed to be little church accommodation for students," which, in the opinion of the Council, was "a vital defect." The Council further reported their "opinion that the scheme as at present "projected would end in failure, even in the "event of a large expenditure of money;" and "that there would be no difficulty in obtaining a proper place for the College and Experimental Farm and one which would be creditable to the Province of Ontario."

This Report was certified by Hugh C. Thomson, Esq., Secretary of the Agricultural and Arts Association, to have been "submitted to the Council on the 23rd February, "1872, and adopted without discussion; the "following members being present: Mr. White, President; Hon. J. Skead, Hon. D. Christie, Geo. Graham, Professor Buckland, Nathan Choate, Andrew Wilson, James Young, M.P., A. McNab, Robert Gibbons, M.P.P., Rsv. J. C. S. Bethune, Irvine Diamond, L. E. Shipley, and Geo. Murton." These are names well known to the farming community, and include persons of both political parties.

However, still further enquiries and evidence were thought desirable in so important a matter; and the Government therefore took no further action in regard to it in the Legislative Session then pending (1872), except to obtain from the House an appropriation of the sums which the Architect had estimated for the improvements contemplated by the previous Government, viz.: \$97,424. The House was prorogued on the 2nd March, 1872.

In June, 1872, the Council were requested by the Commissioner to re-visit the land, which

s of Agri-
and of the
te so large
tion, to be
ne person.
to obtain
at authori-
tion of pol-
uary 1872,
their judg-
being com-
ties; most
mers; and
nt their in-

Agriculture.

ained the
it to be
' and gave
of opinion
to render
l College;"
here is no
the neces-
great con-
seemed to
students,"
bil, was "a
r reported
at present
even in the
f money;"
fficulty in
College and
n would be
rio."

Hugh C.
gricultural
"submit-
February,
ssion; the
sent: Mr.
ad, Hon.
sor Buck-
son, James
t Gibbons,
dyne Dia-
Murton."
he farming
both polit-

nd evidence
tant a mat-
re took no
Legislative
t to obtain
f the sums
ed for the
ne previous
House was

requested
and, which

they did; and on the 20th of that month they reported that, "after a careful review of the lands in question," they saw "no reason to change or modify the opinions expressed in" their former report; and that they had seen the property "in peculiarly favorable circumstances."

Professor Mills' Report.

Meanwhile, the Government had thought it prudent to obtain the opinion of some person experienced in the requirements and working of such Institutions; and Professor Mills, who filled the chair of Agriculture in the Michigan State Agricultural College, one of the most successful Agricultural Colleges in the United States, was recommended for this purpose, as being "eminently qualified to undertake the task," from his "thorough knowledge of scientific and practical agriculture;" his "varied and long continued farm experiments;" and his "high standing as both Professor of Agriculture and Farm Superintendent" in the Institution with which he was connected. From his report read the following interesting extracts (p. 489):

"The farm constitutes not only an important but an indispensable part of the educational apparatus of an Agricultural College.

"It affords the student an opportunity to labour while acquiring his education, thus developing habits of industry and keeping him in sympathy with rural pursuits.

"It furnishes the means of illustrating the teachings of the lecture room, and impressing upon the mind of the student the practical importance of the instruction he has received.

"In the system of management adopted upon the farm, the practice of the best farmers should be fully illustrated, for the purpose of familiarizing the student with the details of the best methods

"The first step in agricultural improvements is the thorough mastery of the present state of the art in its most complete development, and the farm of an Agricultural College should furnish to the student the opportunity of advancing thus far at least on the road of progress.

All improvements on received methods should be put to the test of actual practice for the benefit and instruction of the student.

"To make the labour attractive and to keep up in the mind of the student an interest in agricultural pursuits, the farm should be, at least, of as good quality as the average of farms with which he is acquainted, and it should give a reasonable return for the labour and capital expended.

"The practice should in fact demonstrate that farming is not only an agreeable, but also a profitable occupation.

"A soil of at least average fertility and productiveness would be required to illustrate in a satisfactory manner the best systems of modern farm practice.

"Any attempts to exhibit the modern improvements in agriculture on land incapable of giving a fair return, under good management, would result in disastrous failure, and bring the best possible practice undeservedly into disrepute.

"In judging of results, neither the student nor the public would make the proper allowance for the very unfavourable conditions under which the work had been performed.

"The results would naturally be compared with those obtained in the practice of farmers who are cultivating land of far better quality.

"After visiting a number of farms in different parts of the Province of Ontario, I have formed a high opinion of their fertility, and of the skill with which they are managed, and I am well satisfied that the farm under consideration could not, under the most liberal treatment, be made to rank in productiveness with the average of farms in the Province.

"From the examination I have made of the Mimico Farm, I am confident that an Agricultural College located there would labour under serious embarrassments, even if it did not prove an entire failure, as it could not, under the best possible management, command the respect and confidence of the farmers of the country."

Report of Committee of Farmers.

These proceedings took place during Mr. Blake's premiership. After Mr. Mowat became Premier a further examination was made by a committee of practical men, interested in the success of the Institution and known to belong (like the council of the Association of Arts and Agriculture) to both political parties. The committee ultimately chosen for this purpose were: Mr. James Cowan, Galt; Mr. John Dunlop, Woodstock; Mr. Robert N. Eall, Niagara; Mr. John Miller, Brougham; and Mr. John Dryden, Brooklin. Mr. Cowan's engagement as Dominion arbitrator prevented his acting. The following are extracts from the unanimous report of the others, p 492:—

"Having walked over the lands, and carefully examined, in numerous places, both the soil and sub-soil; we are united in opinion, that the soil, in general, is poor and thin, averaging from three to six inches in depth, a portion of it, we find, has the appearance of average soil, but the sub-soil on such portion is of a very inferior quality, being composed, either of a tenacious barren sort of blue clay, or clay mixed with sandstone rock.

The larger portion of the soil, we find is of a light sandy nature, underlying which, and in fact showing itself on the surface in many places, is a yellowish and white sand, apparently of an utterly barren character.

"On the whole, with little exception, the sub-soil is of such a character, that if thoroughly incorporated with the soil, by a system of deep cultivation, it would not add to its fertility; even on better portions of the farm, deep cultivation could not be affected, without a system of thorough under-drainage, which from the level surface, together with the tenacity of the sub-soil, must involve a very heavy outlay of money.

"We are of opinion that a soil of average fertility would be required, to illustrate in a satisfactory manner, the best system of modern husbandry; and if so, this could not be done on the Mimico Farm, without an extravagant outlay, for drainage and fertilizers. The system of husbandry thus required would necessarily convey a very erroneous impression to the agricultural pupils.

"Judging therefore the soil in all its bearings, we are forced to the conclusion, that it is not suitable for the proposed Model Farm, and could never, by its results, show the capabilities of an average farm in Ontario.

"We find a very deficient supply of water, no running water on the farm, nor are there any indications of surface springs. The only dependence for a water supply, must be by expensive works at the Lake, or by wells at different points on the farm.

"Respecting the site, we do not think its natural surroundings are at all pleasant, but with other things favorable, would perhaps not be objectionable: under the circumstances, however, we can see nothing in the locality which could particularly recommend it for the purposes required."

In the face of all this evidence, a change became an obvious duty on the part of the Government.

The Guelph Farm.

Various farms which could be obtained, and were thought more or less suitable, were visited by the members of the Agricultural Council, as well as of this Committee. Amongst these was the farm of Mr. Stone. The Council were of opinion, that the buildings on these "farms with a little alteration would be sufficient for the purpose of a College and Experimental Farm for some time to come; that the buildings were worth at least \$30,000, and that the farm was "an eligible place for the Agricultural College and Experimental Farm." The opinion of the Committee was to the same effect. Other farms were spoken well of; and if the Government

had been acting for the benefit of their political friends, it would have been easy to make a defensible purchase from some of these; but so absolutely free has the Government been from any party object in any part of the transaction that their purchase of a new site was made from one of the sturdiest Tories and opponents of Reform Governments to be found in Ontario.

* The purchase was made under the authority of a resolution moved by Mr. McKellar, and passed by the Legislative Assembly, on the 11th March, 1873, after various amendments had been negatived by the Assembly. On the principal amendment the vote was 31 yeas against 40 nays; the opposition vote having been swollen by the votes of several supporters of the Government who had as members of the previous Parliament committed themselves in favor of Mimico, or whose constituencies had a local interest adverse to the proposed change. The resolution finally passed by the House was as follows:

"Resolved, That careful examinations have been made during the past year with respect to the lands acquired by the Province in the Township of Etobicoke for the purposes of an Agricultural Farm and College; that such examinations were made as well by practical as by scientific persons, competent to judge of the adaptability and fitness of these lands for the purposes intended; and that such persons have in their reports pronounced against the adaptability or fitness of such lands, and have recommended that the said Agricultural Farm and College be not established on said lands.

"That instead of the said lands, the farm of Mr. F. W. Stone, near the Town of Guelph, containing five hundred and fifty acres of land, can be acquired, and the said farm is altogether suitable for the hereinbefore mentioned purpose."

"That it is expedient to purchase the said farm for an amount not to exceed the sum of seventy thousand dollars."

The purchase thus sanctioned was made accordingly, an agreement for the purpose being entered into on the 31st March, 1873, which defined the terms of the purchase, and provided that immediate possession of the new house and about four acres of ground immediately attached to it, together with the right of ingress and egress, was to be given to Government, in order that the building might be prepared for the occupation of pupils. The other portions of the Farm and premises were to remain in the possession of Mr. Stone until the 1st December, by which time it was expected that the title would be perfected, the deeds prepared, and the purchase completed.

Preliminary proceedings at Guelph.

On the 1st April, 1873, therefore, the Government prepared to take possession of the House, sending a person to act as temporary caretaker. But, in violation of the agreement made with Mr. Stone, he refused possession; and in spite of every effort made to obtain an amicable settlement, the commencement of the work which was necessary before the buildings could be occupied for a School of Agriculture, was delayed for six months.

Meanwhile, being in daily expectation of obtaining possession, the Government appointed Mr. McCandless, who was then Professor of Agriculture in the Cornell University, United States, to the office of Principal of the new Institution, (29th July, 1873). A matron was also appointed; and another officer, supposed to be experienced in farming, mechanical work, and general business.

Possession was obtained on the 1st of October, and the following necessary additions were made to the building: a dining-room, kitchen, store-rooms, and laundry on the ground flat, and a lecture room, reading-room, bath-room and domestics' apartments on the upper flat, contained in a stone building, with a coal-shed attached, together with tanks and wells for the storage and supply of water for heating and domestic purposes. Owing to the late date at which these works were commenced, and the imperative necessity for finishing them in time for a winter session, as was then contemplated, considerable extra expense was entailed. The original contract, for the alterations and additions to the building, made October 8, 1873, after tenders had been advertised for, was let to Mr. Jas. Barclay for the sum of \$2,533. In addition, there were constructed at contract prices, by D. S. Keith, the apparatus for steam heating and water supply, amounting to \$3,400. Considerable additions and improvements were subsequently made on the suggestion of the Principal. Mr. Tully, in his evidence before the committee of last session, stated that these were recommended by Mr. McCandless, in writing, after the work on the college had begun; that the desire was to have the additions completed, so that they could be used in the spring; that they were made in pursuance of a clause in the contract which gave the Government power to make them; that the original plan was considered not to give sufficient accommodation; and that the price paid for the additions was reasonable and that the work had been very well and satisfactorily done. The amount of the whole work, including these additions was \$8773.24.

In December 1873, the buildings were so far completed as to admit of occupation, but it was found not advisable to introduce

pupils into sleeping apartments which, having been finished during the cold weather, were still damp. It was, therefore, decided to postpone the opening of the College until the 1st May. Some months before that date the matron had resigned; and, the other officer not giving satisfaction, his services had been dispensed with.

Before the opening of the school, a Committee was appointed and reported a scheme for the management of the School and Farm; and in April 1864 the necessary officers suggested by the Report were appointed, viz.: the Rector, also a Farm Foreman, a Gardener, a Stock Manager and a House Keeper.

The Management of the Institution.

The success of a new Institution depends at first to a large extent on the efficiency of the Principal and Superintendent or Manager; and it is impossible to anticipate with certainty whether any man who has not been tried in that capacity, possesses the qualifications necessary for it. Mr. McCandless at the time of his appointment as the first Principal, was Professor of Agriculture in Cornell University, and appeared to have given satisfaction in that capacity. He had also testimonials from the Old Country speaking well of his scientific and practical knowledge of English and Irish farming, and his ability as a teacher of agriculture. The Government did not expect to find anybody with higher testimonials in these respects; and could not expect that any person who had held the office and discharged with success the duties of a Principal of an Agricultural school and Experimental farm would feel tempted to take charge of the Ontario enterprise at the salary which the Government was able to offer.

Mr. McCandless soon proved that, whatever his qualifications were as a lecturer or professor, he was wanting in the tact, method, and administrative capacity necessary for the domestic and outdoor management of the Institution, and in the temper and firmness necessary to gain the respect and obedience of the pupils. Everything went wrong under his management. On the 2nd June the Rector resigned, and put his resignation on the ground of "Prof. McCandless' administration of affairs being such a compound of tyranny and incapacity that he could not comfortably or honorably have anything to do with it." Most of the other officers were in a state of dissatisfaction on account of the Professor's treatment of them; the foreman tendered his resignation in consequence; and the students were on the verge of rebellion, and threatened to leave the Institution almost in a body.

After trying in vain to improve matters by

personal communications with Mr. McCandless, the Government appointed a committee of the most competent persons available, to visit the Institution and advise what should seem necessary to be done. This committee consisted of the Hon. David Christie, James A. McLellan, Senior Grammar School Inspector, James Laidlaw, Esq., Warden of the County of Welland, and the Hon. Commissioner. Their report put all the blame on Mr. McCandless; found him to be without skill in the management of boys, and without tact in directing subordinates; and found that he was vain and rash, without administrative ability, and, on the whole, unfortunately, not the man for the position which he occupied. It will be observed that his defects belonged to a sphere of action which was not embraced in his scientific testimonials and with which he had not been before familiar.

On the 10th July (1874), the Premier wrote to him a private note saying that it would be necessary to accept his resignation without further delay, and giving in language the mildest and least offensive possible the reason for this.

The \$1500.

A sum of \$5,000 is voted by the Legislature annually to pay gratuities to officers in the public service, whose services may during the year be dispensed with under circumstances entitling them to some allowance. As Mr. McCandless had been taken from a situation the emoluments of which were about equal to those of his situation here, and which he might have retained permanently for all that then appeared; and as he was now being deprived of the situation which he had accepted here, and had not been found by the Committee to have been guilty of any moral misconduct, or wilful violation of official duty; and as he had suddenly to look out for a new situation while leaving his present one under a cloud, it was thought proper that he should have (say) a bonus or gratuity of half a year's salary \$1,000, and should be paid an account (\$500) which he had claimed for expenses of removing with his family from Cornell University to Guelph. The reasonableness of these allowances under the circumstances narrated does not appear to have been seriously disputed hitherto by anybody.

Notwithstanding that Mr. McCandless had repeatedly offered to resign, yet, when he found that the Government had determined to take him at his word, he appears to have lost, in his vexation, all control of himself; and he set to work writing an offensive letter, in answer to the Premier's friendly note, abusing in this answer almost everybody then or formerly connected with the

Institution. The most objectionable part of the letter was, groundless insinuations which it contained against the former matron, a pure and honorable lady, who had ceased some time before to be connected with the Institution; and against the housekeeper, a person well-known in Guelph, a member of one of the churches there, and esteemed and recommended by her pastor and many respectable friends in Guelph. Mr. McCandless' insinuations against the house keeper had been previously made to the Committee of Inquiry, and they had reported them to be without foundation. The letter also professed to give scraps of confidential communications which Mr. McCandless represented himself as having had from or with his official superiors; and he endeavored to transfer the blame of his failure to the Commissioner, by setting forth what was mainly a rehash of various stories to which Opposition newspapers had already given currency. His object in this letter, so far as his temper permitted him to write with a definite object, was to compel the Government to retain him, in order thereby to prevent the letter from being published; but in this object he failed. The interests or indeed existence of the institution required him to go; and go he must. But the Premier expressed himself as willing to make allowances for the writer's bitter disappointment and irritation in having to leave his situation abruptly and under a cloud; and, notwithstanding that the letter had been written, was willing to settle with the professor *as if the letter had not been written*, in case he chose to withdraw it. On finding that his letter had no effect towards the accomplishment of his purpose in writing it, Mr. McCandless withdrew the letter; and the Executive Council agreed to pay the two sums of \$1000 and \$500 already mentioned, and which, if the letter had not been written, might reasonably have been paid.

After the Council meeting was over at which this had been agreed to, Mr. McCandless called on the Premier, and, learning what had been agreed to, he begged to get the money that evening, representing that he was negotiating for the purchase of a certain business which he named, and that even a day's delay might deprive him of the opportunity. The Premier was moved by his urgency, and authorized the money to be paid in anticipation of the Order in Council, which was done. The Treasurer being in England, the Premier was in part discharging the duties of the Treasury Department at this time. Perhaps no Order in Council was strictly speaking necessary; but a formal report was afterwards made for payment of the half year's salary, and an Order in

Council thereon was duly drawn up, and signed. The account of \$500 was passed with other accounts embraced in another order in Council.

In all this, it will be perceived, that nothing was done but what was just and right in itself, and was in the public interest, and in accordance with constitutional practice.

Mr. McCandless afterwards took his letter to the opposition leaders; they thought that political capital could be made out of it against Mr. McKellar and the government; and Mr. Cameron thought it consistent with decency and propriety to read the letter in the House, and have it published in the newspapers. He and his friends failed in their object, as Mr. McCandless had failed in his. A committee of investigation was appointed by the House. Mr. McCandless and others were examined before that committee, Mr. Cameron acting as his unpaid counsel in the examinations; and the evidence disproved the material charges or insinuations of the letter, and at the same time satisfied everybody that Mr. McCandless was a much worse man than the Government had assumed him to be.

The Committee of the House reported: "That in the opinion of the Committee the Government was fully justified on the facts disclosed, in dispensing with the services of Prof. McCandless as Principal of the said Institution;" and "that in the opinion of this Committee the present condition and management of the said College are satisfactory."

So much for the Model Farm transactions.

Sale of Timber Limits.

There is no transaction with regard to which greater or more persistent efforts have been made to excite the public mind against a reform government, than their placing "under license" (as it is called) certain timber land on Lake Huron. While the truth is, that the transaction was one of the soundest policy, has had most beneficial results, and reflects the highest credit on the Commissioner who devised and carried it out, and on the Government who accepted his advice and sanctioned the sale.

The quantity of land in question was about 5031 square miles. That territory, if in a square, would be about seventy miles from north to south, and the same distance from east to west; and there remain still unsold about 5000 square miles in the Western agency of the Province, and about 5750 in the Ottawa Agency, making together 10,750 square miles yet unsold. No further large sale will probably be necessary for a good many years.

The transaction took place 15th and 16th

October, 1872, which, was some days before the present Premier entered the government; and two only of his present colleagues were members of the government then. If all the purchasers had completed their purchases, the transaction would have yielded to the Province a bonus of \$392,601, and ground rent (\$2 a square mile) \$10,064; making an average bonus of \$117 a square mile; and affording together an annual return of about \$40,000 for interest and ground rent, exclusive of timber dues on the timber whatever the quantity may be, which is cut from year to year. Several parties, however, failed to comply with the conditions; in consequence of which 586½ square miles of area offered remain still at the disposal of the Province.

The sale cannot possibly be an injurious one to the Province, for the whole matter remains completely in the hands of the Government and of the Legislatures; for,

What is it that was sold?

It was not the land, nor the timber on the land, but merely the first right to obtain an annual license to cut the timber, the licensee paying "such rates and being subject to such conditions, regulations, and restrictions as may from time to time be established by the Governor-General in Council." These are the words of the Consolidated Act, ch. 23 (12 Vic., ch. 23). This annual license confers on the licensee the right of cutting timber on, and the right to take and keep exclusive possession of, the lands described in the license, subject to such regulations and restrictions as may be established (this is still the language of the Legislature); and all timber cut on the limits is liable for the payment of the Crown dues thereon.

It will thus be seen that, since the Government has the undoubted right to make such regulations in regard to the licensed territory as the Government in the public interest sees fit, and to charge such rates as may to the Government seem just, the public interest is protected by safeguards unheard of in other transactions.

Public advantages of the Sale.

The purchasers of the limits have nothing to rely upon, in regard to the regulations which they must observe or the rates which they must pay, except the sentiments of justice and equity in the Government and the legislature and the people. But, relying on these sentiments, the purchasers of timber limits expend large sums of money in making roads, improving streams and rivers, building shanties, and making all necessary business arrangements, so that the capital employed now in the lumber business of the

Province is estimated at about \$25,000,000. The Province derives an annual revenue of about half a million of dollars from the territory which was under license previous to the transaction of 1872; and the business gives employment to a large number of men; involves the consumption of large supplies from the settled portions of the country; encourages settlement near the lumbering stations by affording settlers their only market; and a splendid market it is for the products of the soil, may sometimes bringing \$40 to \$100 a ton, and \$1.50 to \$2 being given for a bushel of oats.

It is in this way that the territory of the Ottawa, and of the St. Maurice, and the Saguenay, have been settled, and their thriving towns, villages, and hamlets created.

So long ago as 1840, Sir Wm. Logan in one of his reports pointed out this coming result of the lumbering operations of these territories, and experience since has amply justified his expectations.

The sale of license limits has the further great advantage of making it the interest of the licensees to guard against fires and the robbing of the timber. Every stick burnt or stolen is a loss to them. The lumbermen thus become unpaid and effectual watchmen over our property, in the interests of the Province, as well as in their own interest.

At the time of the sale now in question, the losses by robbery and fires were becoming increasingly great; the timber was becoming more valuable; the population on both sides of Lake Huron was increasing fast; there were already several mills which got their supply from the territory, and to a large extent without paying for it; and the territory was being traversed by increased numbers engaged in mining explorations, and otherwise interested in the territory. In view of the operation of these causes men familiar with the subject have expressed an opinion that if this territory should not be put under license for 30 years, it would not then contain more timber than after 30 years of cutting under license, and that Muskoka now contains no more timber than if it had been put under license 15 years earlier than it was.

Influenced by these considerations, Mr. Commissioner Scott, in the summer of 1872, saw that the season was opportune for the sale in question. The lumberers for some time had been doing a very profitable business. Other persons were desirous of having an opportunity of sharing their good fortune, and the year was exceptionally propitious for getting the largest bonuses from purchasers. At no previous period was the market in a more favourable condition for the sale, and no time as favourable has occurred since.

The Auction.

The intended sale was extensively advertised in the United States, as well as in Canada, for three months before the sale took place. The attendance at the sale was larger than on any like occasion previously. Two hundred persons were present looking for purchases. There having arisen some stringency in the money market, the Commissioner, to stimulate sales, announced that three months' credit would be given for half the purchase money, which the printed conditions had required to be paid down. Fifty persons made purchases at rates varying from \$40 to \$1000 per square mile, according to the supposed values of the respective localities offered. The prices obtained were in every instance either the full value or more than the value. Some of the purchasers afterwards forfeited their partial payments rather than pay the balance, and no instance is known in which the purchaser has made any large sum by a resale. Many of the purchasers, if not all, would to day gladly give up their purchases on being repaid their money. And up to this moment it is believed that, from the depressed state of the lumber trade of late, not a stick of timber has been cut in any of the limits bought at this sale.

It has been absurdly and falsely said that the sale was in the interests of the lumbermen of the Ottawa District. Now, the number of persons holding limits before this sale was ninety-eight; of these but 4 bought at the sale, and not one of the four was from the Ottawa District.

Former Sales.

The sale is generally spoken of as if it were the first sale of licenses in this territory; while the fact is that for "the years 1852 and 1853 licenses were granted in the locality, and held up to 1855-1857, such licenses covering an area of 2,966 square miles, and that in October, 1863, 692 square miles were offered for sale by public auction, 342 miles of which were sold at an average bonus of \$1.14 cents per mile, only making a total of 3,308 square miles placed under license on the Lake Huron territory, or more than three-fifths of the area offered at the sale "in October last." See Crown Lands Report for 1873, p. 9.

It has been further stated that a course similar to that in question was taken by the Government of Quebec, and was condemned by the Hon. Mr. Holton and other Reform leaders in Lower Canada. That is not so. The sales there were made privately; and what Mr. Holton and his associates condemned, was, selling by private sale, instead of by public competition; and so selling at comparatively trifling rates to political friends.

The Sale of 1872 approved by the House.

It is remarkable also that, though every effort was made by newspapers before the session of 1873 to excite party feeling and public feeling against the Ontario sale, the largest vote which the Opposition could obtain against the Government in reference to the transaction was 18, as against 53. And so clear was the policy of the sale to those who understood the matter, or whose constituents understood it, that many Opposition members could not bring themselves to vote against the Government; and the following members of this class voted with the supporters of the Government, abandoning for a time their leaders in the absurd crusade: Messrs. Code, Craig (Russell), Fitzsimmons, Guest, McColl, Monteith, Scott (Grey), &c.

It has been said that the sale was unauthorized, not having been first sanctioned by the House. The fact is, that it took place under the authority of, not merely a vote of the Assembly, but of a statute which had been in force, and acted up by successive Governments, for twenty years and more, and which Mr. Sandfield Macdonald's Government, as well as others, had acted upon. It was the duty of the present Government to take advantage of the fitting moment for the best sale. There had never before been so fitting a time as that at which the sale took place, and there has not been so fitting a time since. Delay until the House should meet would have been allowing the right time to pass.

Prices.

It is said that, sufficient prices were not obtained. That has been answered already. The sale was at the most propitious time; it was fully advertised for months, both in the United States and Canada; it was largely attended, and brought large prices. In the Province of Quebec 5,664 square miles were sold in 1868 for \$72,000, or less than \$13 a mile; and 11,200 square miles were sold in the twelve months before 12th Nov. 1872, for \$92,673, or \$8.25 cents per mile; the former less than an eighth of the Ontario prices; the latter a still smaller fraction. The Muskoka limits had brought more on an average than the limits sold subsequently; but the Muskoka limits, as a whole, were more conveniently situated, and the timber was heavier. The value of limits depends on the situation of the territory, and the quantity and quality of the timber on the land, as well as the propitiousness of the period at which the sale takes place.

It is said that the territory should have been more fully examined before the sale, and would have brought more if it had been.

The truth is, that \$150,000 had been expended between 1855 and 1869 in prospecting, exploring, and surveying; and that the examinations made by purchasers since the sales have indicated that they over-estimated, rather than under-estimated, the prices which they might profitably give.

Probably that expenditure by successive Governments had chiefly in view the special object of settlement; but so little fruit in this respect had resulted from the expenditure, that while seven or eight townships had been laid out, but 2,000 acres had been sold, and these had brought only 20 cents an acre.

Constitutional Rule as to Ministers having Seats in Parliament.

The circumstance of Mr. Treasurer Crooks not having obtained a seat immediately after his unexpected defeat in East Toronto, has been the occasion of incessant absurd attacks from Conservative opponents—attacks which indicate an abandonment of anything like political principle on the part of such of the opposition leaders as have made or sanctioned those attacks. Some Reform friends may have disliked the unavoidable delay; but for the opposition to pretend a Conservative horror of Mr. Crooks being without a seat for a few months before the Legislature meets, is ridiculous. Mr. McDougall, the new Conservative would-be leader, was himself a minister without a seat for several months. Members of Canadian Conservative Governments have been in the same position for months, and have been without seats for a time even while Parliament was in session. Mr. Morrison was a minister without a seat for two whole parliamentary sessions. Mr. Viger was a minister without a seat for 18 months; and Mr. Vankoughnet and Mr. Cayley were ministers without seats for several months.

The doctrine of Canadian Conservatism, as enunciated and defended by Sir John A. Macdonald, the Hon. M. C. Cameron, and others, in the debates on Mr. Morrison's case in 1862, goes far beyond what is necessary to maintain that a position like that of Mr. Crooks was correct and constitutional; their doctrine being in fact that it was correct and constitutional for a minister to be without a seat during a *succession of Parliamentary sessions*; and in fact, until Parliament voted want of confidence in the Government as a whole. The Reform contention was against that monstrous doctrine, and was in condemnation of the continuance of Mr. Morrison "during several years in the Government without a seat

"in either House of Parliament." (*See Journal 1862, p. 43, &c.*) The resolution offered by the Reform opposition to the House on the occasion and containing that language, embodied, in an authoritative way, what is to be regarded as the Reform doctrine, and is in strict accordance with British constitutional rule.

No question is made in England as to a minister remaining in office after losing his seat, provided that he has in contemplation, and expects, to obtain a seat before Parliament meets. It is a rule recognized by all parties that the Minister's position is unassailable if, when Parliament meets, he is in a position to explain and defend there the acts of his department and of the Government. All the controversies in England as to a minister who has no seat, have been where he was without a seat while Parliament was in session.

The discussion in the Legislative Assembly on both sides assumed that the English constitutional rule, whatever it was, was that by which the Canadian practice should be regulated; and that no rule more stringent had been adopted in the Province, or was applicable to a Province. The truth is, the difficulty of obtaining a seat where there are upwards of 600 members, is so great as to be a serious evil, acknowledged by all parties; and the difficulty must be far greater in a House of less than 100. It was at the request of the Premier and his other colleagues, that Mr. Crooks retained so long his place in the Government, after his defeat in East Toronto; and the understanding has always been, that he should obtain a seat before the session, by standing for some suitable vacancy that might occur in the meantime, either as the result of an election trial, or otherwise. The contested cases arising out of the late general election have been numerous; most of them are still undisposed of by the courts; and, under these circumstances, for one of the Reform members whose seats were not contested, or have not been successfully contested, to abandon his seat on the Treasurer's account, before the contested seats were disposed of, would obviously have been an unnecessary and a premature sacrifice which could not reasonably be desired or sought for.

The Resolution to condemn Mr. Morrison is in the Journals of the Legislative Assembly of Canada, 1862, page 42, and reads as follows:—"That this House being convinced that one of the best safeguards of the Prerogatives of the Crown, as well as of the liberties and franchises of the people, is to be found in the application of the principle, that the Government should be conducted by

Ministers responsible to the people, and holding seats in Parliament,—avail themselves of this opportunity to express to His Excellency the regret with which they have seen that principle violated by the continuance of the Honorable Joseph C. Morrison during several years in the Government, without a seat in either House of Parliament." That Resolution embodies the Reform doctrine.

The Conservative doctrine was stated by its present leaders, Sir John A. Macdonald and Mr. M. C. Cameron (reported in the *Leader* newspaper, April 7th, 1862), as follows:—

Mr. M. C. Cameron's Opinion.

Mr. M. C. Cameron said "he had not read anywhere that it was necessary in order to carry out responsible government that Her Majesty's ministers should be on the floor of the House. It was only necessary that they should command the confidence of the majority of the people's representatives."

Sir John A. Macdonald's Opinion.

"Hon. John A. Macdonald said that in the House of Commons the two political parties had each in turn brought in Bills to do away with the practice of compelling Members on taking office to return to their constituents. One session such a measure was introduced by one party, and in the next by the other."

Again, on the same debate, he said, "Mr. Loranger had commenced with a dissertation on responsible Government, and complained that Mr. Morrison, in holding the office of Solicitor-General without a seat in Parliament, had committed a breach of its principles. Why, that had just as much to do with responsible government as it had with ecclesiastical law. What was responsible government? Before it was granted the Governors of Canada were not bound to have advisers whose views were in accordance with the wishes of the people as expressed in Parliament, and was similar in position to the Governors of what was called Crown Colonies. Now, however, he must take them from the party which is in the majority; and whether the whole administration, or any part of them, were out of Parliament, did not affect the question at all, because if Parliament chose to give its confidence to an Administration, not one of whom had a seat in either House, it might, in its omnipotence, do so. All the people could ask was, that every act of the Ministry, whether executive or administrative, or an Act of Legislation, should be in accordance with their well understood wishes, as made known by their representatives in the Commons. When he said, therefore, that the allusion to the principles of responsible government had no relevancy to the subject, he was, in the strictest sense, correct, because

Treasurer's Sale of Municipal Loan Fund Debentures.

This sale was an absolute necessity, in the interests of the public; and the amount obtained was the utmost obtainable. Every allegation to the contrary of either of these propositions is deceptive and untrue.

POLICY OF THE SALE.

The Debentures were those obtained from the municipalities indebted to the Municipal Loan Fund, and represent the reduced sums payable by those municipalities. It was a leading feature in the Government scheme for the settlement of the old, complicated, and ever increasing difficulty of the Municipal Loan Fund debts; that the Government should not keep these Debentures, but should part with them either by selling them or distributing them, at their market value, amongst the municipalities entitled to share in the surplus distribution. The reason for this course is well known. The original debts of the Municipalities were practically due to the Province, and were supposed, or alleged, at the time they were incurred, to be fully secured; yet some of the borrowing municipalities fell into arrear with their payments from the very first; and it was thought necessary, in 1859, to relieve the most burdened of the municipalities. This was done by Stat. 22 Vic., cap. 15, which practically reduced every such debt on 1st December, 1859, to the sum on which the small rate of five cents on the dollar of the rental or income of the Municipality, would pay interest at five per cent. But in the case of many of the indebted municipalities the payments on even this reduced sum fell into arrear, and when the matter was taken up by the present Government, it was found that one municipality had paid nothing whatever for 20 years; some had paid nothing for 13 years; and some for 12, 11, 9, 6 and 5 years respectively. Other indebted municipalities had paid part only of their annual liability; so that not more than *one-tenth* of the aggregate principal sums had been realized in fifteen years, and less than one-third of the aggregate interest to 1st January, 1873, had been realized. The Province had, out of its general funds, been paying for the defaulters during all these years; the undebted municipalities were paying for those in debt and default, though the latter were in many instances well as able to pay their own debts as the latter were.

The number of defaulters had gone on increasing from year to year. Some of the defaulting municipalities could not pay; some had claims to be relieved from paying anything; others had claims to be relieved

whether a Minister was in or out of Parliament, he was equally responsible. And, again, *Mr. Morrison's not having a seat was not a thing to be objected to by the opposition*, but to be regretted by the Government. To carry on the Government, it was of course desirable to have as many members of the Government in the House as possible. Sir Robert Peel, when the members of the Cabinet were without seats, said to Col. Sibthorp that, although it would be a great advantage to have them in the House, he was content to forego that advantage. Then he had the Secretary for the Colonies out of the House for a long time, and yet it was not contended for a single moment that he had committed a breach of the Constitution in not finding him a seat. The Hon. gentleman (Mr. Macdonald) would repeat the sentiments of Sir Robert Peel and of Lord John Russell, both great statesmen, who possessed the confidence of opposite parties, and pronounced their views, and were thus, when united, a perfect constitutional authority. The Hon. gentleman (Loranger) could not explain away the fact that Sir John Campbell, afterwards Lord Campbell, although Attorney-General for England, could not get a seat, and did not. He continued to act as Attorney-General, having all the responsibilities of an Attorney-General, until the Government went out; just as if we had gone out last session, Mr. Morrison would have gone out too. The principle was of course the same whether a member of Government was out of the House for a few weeks, or months, or years. If it was a constitutional principle that a man had no right to be a Minister without a seat in Parliament, the rule was broken just as much as if he was out for a few months as if he was out for 20 years. He would now take the next case quoted that of Lord Palmerston. It was sometime in June or July before Lord Palmerston was elected. Between April and that time he was therefore advising the Crown on a most important branch of public affairs, which might have plunged England into a war, and cost her millions of money. He was all that period without a seat in either House of Parliament, yet no one presumed to say it was unconstitutional. Sir Robert Peel affirmed that there was nothing in the Constitution which required members of the Government to be in Parliament, and his laying down that doctrine had never been disputed." After quoting Sir Robert Peel's speech in answer to Col. Sibthorp, Sir John observed, "In that answer Sir Robert Peel clearly laid down the doctrine that the position of a Minister without a seat in Parliament was quite allowable; at the same time admitting, however, the desirability, for the purpose of strengthening the Government, of having as many ministers as possible on the floor of Parliament."—*Leader*, April 9, 1862.

from part of their indebtedness; some who were regularly paying other municipal debts which they had incurred, were leaving their debts to the Government unpaid; and the representative of one wealthy municipality which had been long in default, announced in the House that he would advise his constituents not to pay even the reduced debt for which the municipality remained liable under the scheme of 1873. Under these circumstances one serious difficulty to be faced was the danger, if not the certainty, that if the new Debentures taken for the reduced debts should remain in the hands of the Government, the experience of the past would be the experience of the future; and there was no feature of the Government scheme which was more commended by business men and others, than the provision that the Debentures should be parted with promptly, instead of being retained for collection in the hands of the Government. Had a different policy been adopted the probability is that not 50 per cent. of the amount would ever have been realized by the Province. In fact, a sale at almost any rate would have been more advantageous to the public Treasury than the retention of the Debentures by the Province.

PROCEEDINGS IN LEGISLATURE.

On this account the first proposition of the Government was, to distribute the new Debentures among the indebted municipalities as part of their share of the surplus distribution. (*See Journals*, 1873, p. 208). But this was found unacceptable to these municipalities, who not unnaturally feared that they would have difficulty, as successive governments had had, in obtaining payment; and the general desire was found to be that the municipalities should get their shares in money. The Government therefore took the alternative power of selling the Debentures, and paying the proceeds to the municipalities entitled to share in the distribution. No opposition whatever was made to this course at the time. On the contrary, it received the approval of both sides of the House. Not one of the municipalities entitled to share in the surplus was willing afterwards to take its share in these Debentures at their market value; and all payments have, consequently, been made to the municipalities in cash. The statute giving effect to the scheme contained a provision also, for payment by an indebted municipality of its new Debentures at their market value, if such municipalities chose to do so, before they had passed from the hands of the Government (30 *Vic., C. 47*, § 25, 26); but not one indebted municipality applied to have the benefit of the privilege.

A leading member of the opposition in the Assembly expressed an opinion that not

more than 80 per cent. would be obtained for the new debentures. The amount obtained was considerably more than he foretold.

VALUE OF THE DEBENTURES.

It is to be remembered that these Debentures bore interest at 5 per cent. only, and most of them provided no sinking fund. The following table will enable a comparison to be made of the value of Debentures bearing 5 per cent. interest with Debentures bearing $6\frac{1}{2}$ and 7 per cent. interest respectively.

Assuming that a Debenture payable in 20 years bearing $6\frac{1}{2}$ per cent. interest, is worth par, a

\$100 Debenture at 5 per cent. (in order to return $6\frac{1}{2}$ per cent.) is worth	83 34
" Debenture at 6 per cent. " "	94 45
" " 7 " " " "	105 55
Or, assuming that such a Debenture bearing seven per cent. is worth par, and no more,	
\$100 Debenture at 5 per cent, to return 7, is worth.....	78 64
" Debentures at 6 per cent. to return 7, is worth.	89 32

RATES OBTAINED.

The Debentures in question fell due in different amounts annually, from 31st December, 1874, till 31st December, 1892; and the last on 31st August, 1893; and the prices obtained were regulated so as to net the investors less than $6\frac{1}{2}$ per cent. on the longest dated (on those due August 31st, 1893); and less than 7 per cent. on those due December 31st, 1880; which two classes comprised all for sale in England; £313,300 sterling. The amount retained for sale in Canada was £51,100 sterling; these two sums amounting to £364,400 sterling; which sum represented \$1,830,132, the amount saleable of the Debentures.

Those Debentures due 31st August, 1893, or 19½ years from July 1st, 1874, were sold at 84, equal to interest under $6\frac{1}{2}$.

Those due 31st December, 1885, or 11½ years, were sold at 88, equal to interest under $6\frac{1}{2}$.

Those due 31st December, 1880, or 6½ years, were sold at 90, equal to interest under $6\frac{1}{2}$.

It is very seldom that Municipal Debentures can be sold at as high a rate as will pay the purchaser less than seven per cent., and often the rate is eight per cent. or more, and therefore the sale of five per cent. Debentures at the rates mentioned was unquestionably a good sale.

It is said that higher rates were obtained for the Debentures of Quebec and of the Dominion; and could have been for the Debentures of Ontario. But the Debentures in question were not Debentures of Ontario. If Ontario had occasion to borrow money on its own credit, its Debentures would probably have brought considerably more than Quebec

se obtained
amount ob-
n he fore-

ss.

ese Deben-
only, and
fund. The
arison to be
earing 5 per
ring 6½ and d

able in 2 0
t, is worth

ler
rth 83 34
94 45
105 55
ure bearing
no more,
to

.... 78 64
to
... 89 32

fell due
m 31st De-
1892; and
t the prices
t the inves-
the longest
(1893); and
e December
rised all for
ing. The
anada was
amounting
represented
the Deben-

ugust, 1893,
were sold at

or 11½ years,
under 6½.
or 6½ years,
under 6½.

Debentures
will pay the
, and often
and there-
tures at the
bly a good

re obtained
and of the
for the De-
bentures in
Ontario. If
money on its
d probably
than Quebec

Debentures; but we have had no such occasion and are not likely to have. If the province had even guaranteed the payment of these Municipal Debentures they would have brought higher rates. A mistaken announcement in a friendly newspaper that they were guaranteed by the province, though the error was corrected immediately afterwards, has ever since been dishonestly paraded by oppositionists as proof that the payment of the Debentures was guaranteed by the Province, though those who set up the pretence know the contrary to be the truth. Purchasers took the Debentures at their own risk in that respect. The Treasurer or the Government had no authority to guarantee their payment; and to do so would have been in direct opposition to the policy which had been proposed to and sanctioned by the House, and approved by the country.

THE TREASURER'S NEGOTIATIONS IN ENGLAND.

The Treasurer endeavoured, but failed, to sell the Debentures through Messrs. Glyn, Mills, Currie & Co., or some of their friends; and it was fortunate for the Province that, through his long connection with the Directors of the Colonial Trusts' Corporation (Limited), he was afterwards able to induce them to act as agents for receiving tenders and obtaining purchasers for the Debentures at the prices fixed by him. They did not themselves become purchasers, but through their exertions, and those of other agents, the Debentures have been realized at the prices named.

Even at the risk of false interpretation upon his action, the Treasurer could not without failure in his mission, and consequent detriment to Provincial interests, have omitted to avail himself of the Colonial Trusts' Corporation, that company being the most suitable agency for carrying out the object entrusted to him by the Government.

That Company has a high reputation in London, England; it has a respectable Directorate; it has a large and respectable body of clients, who have confidence in Canadian securities; it has a million of dollars invested in Ontario mortgages; it is the only Company in London that undertook to act as financial agents for different colonies; and it has negotiated a loan for British Columbia and one for Natal; its rooms are on the ground floor of one of the largest buildings in London devoted to financial companies.

The circumstance of the Treasurer's firm having held a small amount of stock in the Company has been referred to, as if it wrongfully influenced his choice of that Company. The stock of the Company was at the time paying twelve per cent.; and, to prevent the chance of a malicious charge of this kind being brought or believed by anybody, Mr. Crooks sacrificed his share in this stock at par, and thereby, in the public interests, deprived himself of any possible

chance of participating in any business profit which the Company might happen to realize from the agency. The employment of the Company was a loss to the Treasurer personally, though a gain to the Province.

Public Accounts Committee.

Another false charge made against the Reform Government is, that it has restricted the power and usefulness of the committee appointed to examine the Public Accounts; the fact being that the Reform Government in the very first session of its power increased immensely the efficiency of that Committee, by giving to committees for the first time the power of examining witnesses on oath.

The pretence for the absurdly false charge is, that the friends of the Government objected to the Public Accounts Committee, (which was already fully burdened with its proper duties) entering by a side wind into the incongruous subject of the management and condition of the Agricultural College and farm, the gratuity to Professor McCandlish being the flimsy pretext for this factious effort. But so far was the Government from refusing investigation, that a Special Committee was agreed to, whose sole duty should be to make this investigation, so that it might be more full and complete than it could be in the hands of a committee which had all the public accounts to look into. Had the Government insisted on the Public Accounts Committee being the committee to make the investigation in addition to all its other duties, there would have been reason for blame. Is not this charge another striking illustration of the enemy's poverty of material for their campaign against a Reform Administration?

The Opposition complain that the Government has a majority of three on the Public Accounts' Committee. They admit that the Government of the day, according to usage and reason, should have a majority on this committee; but it is said that they should have a majority of one vote only. Now, for voting purposes, a majority of one is as effectual against an opposition as a majority of more than one; but the constitutional theory in regard to these committees, is, that a majority of those present at every meeting should be in harmony with the Government of the day; where there is a majority of one only on the whole list, all this majority must be present at every meeting during the whole session, or the minority by acting in concert may snap a vote contrary to the opinion of the majority. To avoid this, where the fairness of an opposition cannot be relied on, and the opposition did not know what fairness was, the majority ought not to depend on

a single individual. Under Sir John A. Macdonald, the Government was never content with, and never had, so small a majority as three, on the Public Accounts Committee, nor was it ever pretended that their majority on the Committee was too large.

Marriage License Issuers.

Another paltry complaint which the Opposition make is, that in appointing Issuers of Marriage Licenses, when by an act passed in the third session the Province took the matter into its own hands, the Government did not appoint as issuers all those who had held a like office under the Dominion Government. A very large number of the old issuers were appointed under the Ontario Act—Conservatives as well as Reformers. In some counties hardly any change was made. In other counties the changes were more numerous, the friends of the Government having urged that, as the appointments were new; as the law to be administered under the Ontario act was very different from that with which the Dominion issuers were furnished; and as all Government patronage had been in the hands of the opposite party for nearly twenty years, it was not just that in the new appointments the claims of Reformers should be disregarded in favor of the former employees of the Dominion.

It is not easy to answer this reasoning. It is one thing to leave in office, as the Government did, the unfriendly sheriffs, unfriendly registrars, unfriendly county-attorneys, unfriendly clerks, and unfriendly officials of all kinds, who needed no new appointment; but when new appointments were by law necessary, in order to enable persons to act under a new law differing in all its details from the old law, it was not easy to maintain that the partisan appointees of former hostile Governments should be in all cases preferred for appointment to competent and deserving friends. Reformers and other friends will not withhold their support and approval, because in some instances some of their number were preferred for these appointments instead of their common adversaries. The general opinion is, that the Government has been, not unjust, but, on the contrary, even too considerate, towards hostile officials, who strive to injure the Government as whose officers they act.

The Reform Scheme for Distribution of Surplus and Settlement of Municipal Loan Fund Debts.

AS ADOPTED BY LEGISLATIVE ASSEMBLY
IN 1873.

Resolved, That it is expedient to provide for the re-arrangement of the Municipal Loan Fund debts, so as to secure the due and regular payment of such of them, or of such portions of them, as are to be paid.

That it is expedient to distribute amongst the Municipalities of the Province for local purposes, the future produce of said debts, and so much of the other funds of the Province as may, with the produce of the said debts, be equal to the allowances hereinafter mentioned.

That with respect to those debts under the Municipal Loan Fund, on which an assessment of five cents in the dollar on the assessed annual value of the property of the indebted municipality in 1858, was not sufficient to pay the interest, the practical effect of the Statute 22 *Victoria*, c. 15, (entitled An Act further to amend the Consolidated Municipal Loan Fund Acts,) has been to reduce every such debt, on the first day of December, 1859, to the sum on which the said rate of five cents in the dollar would pay interest at five per cent.; that it is expedient to accept this reduction as the basis of a new settlement with all municipalities which desire the benefit of a settlement on that basis, and to give to other municipalities some compensation in respect thereof, by making to such other municipalities the allowances hereinafter provided.

That for many years it has been the policy of this country to give public aid to useful railway enterprises; that the late Province of Canada largely aided certain railways in *Upper Canada*; that other railways in *Upper Canada* were built without any aid from the Province of Canada, but with large aid from some of the municipalities in *Upper Canada*, by taking stock in the railway companies, which were to construct the said railways, and by making loans to the said companies, which stock was taken and which loans were made on the mistaken representation to the said municipalities, and in the delusive expectation by them that their advances would be made good out of the profits of the railways; that the railways so respectively aided by the said Province and by the said municipalities, have been greatly instrumental in developing the wealth and resources of this Province; and that with respect to the said railways so built without any Provincial aid, it is expedient, in view of the said facts, to credit to such of the said municipalities as are not benefited by the Statute 22 *Vict.*, c. 15, their shares of \$2,000 a mile of railway so aided, the share of each being

tribution of Muni- s.

ASSEMBLY

provide for
Municipal Loan
Fund, and to be
paid out of such

amongst
the local
debts,
of the Pro-
vince of the said
Province hereinafter

under the
an assess-
ment assessed
to the indebted
municipality
of the said
Municipal
Loan Fund
every
December,
at the rate of
interest at
the rate of
to accept
the settle-
ment of the
desire the
is, and to
the compen-
sation to such
as herein-

the policy
to be useful
the Province
railways in
in Upper
from the
aid from
Canada,
companies,
railways,
companies,
loans were
tion to the
clusive ex-
ces would
of the rail-
respectively
by the said
y instru-
resources
respect to
any Pro-
vince of the
said muni-
ciple Statute
\$2000 a mile
each being

in proportion to the amount of its said con-
tribution, as compared with the aggregate
amount actually invested by all the said
municipalities in the railway so aided, and to
be allowed as a payment at the date of the
debt therefor being contracted. That the
Welland Railway being, as an adjunct to the
Welland canal, of exceptionally great benefit
to the trade and commerce of the country,
and being at the same time of exceptionally
limited local advantage, the allowance in
respect of the said railway shall be \$2,000 a
mile as of the date aforesaid.

That after the Confederation of the Pro-
vinces in 1867, and before the passing of the
Railway Aid Act of 1871, divers municipali-
ties, which will not be benefited by the said
Statute, 22 Vic. c. 15, have given sums of
money by way of gift or bonus to divers rail-
ways or portions of railways, which, if not
commenced prior to 7th December, 1870,
would have been entitled to aid under the
said Act; that the sums so given were larger
than might have been necessary if the said
railways had received aid from the Province
in the same way as the Act of 1871 provided
with respect to railways commenced after
the said date; that it is expedient to make
to these municipalities an allowance, as of
the 1st February, 1874, at the rate of \$1,000
per mile of the portions of railways which
have not been, and are not to be aided by
the Province, such allowance in respect of
any railway to be divided amongst the
Municipalities which have granted bonuses
thereto, in proportion to the amount of their
said contributions to the railway; provided
that this allowance shall not entitle any
municipality to an allowance in respect of
any railway which may receive aid from the
Legislature during the present Session, or to
any railway which, if commenced after the
passing of the said Railway Aid Act, would
not be entitled to aid under the provisions of
that Act.

That it is expedient to give to municipali-
ties in default, and not benefited by 22 Vic.
c. 15, credit as of 1st January, 1873, as
against their debts, for the share which
would from time to time have been payable
to them respectively, of the Clergy Reserve
Fund, if they had not been in default to the
said Municipal Loan Fund.

That it is expedient to allot to all muni-
cipalities not benefited by the Statute, 22 Vic.
Cap. 15, the sum of two dollars per head of
the population, according to the Census of
1871; which allotment shall be in addition
to the railway allowances aforesaid where
these are applicable; and that the allotment
and railway allowances aforesaid shall be
applied as follows:—

(1.) The amount going to a county, city,
or separated town indebted to the Muni-

pal Loan Fund, shall be applied, first to pay
the debt to the said Fund.

(2.) Where a balance remains of the allot-
ment to a county, the share according to
population of any local municipality therein
which is indebted to the said Municipal
Loan Fund shall be applied towards the pay-
ment of such debt.

(3.) The remaining sum going to a county
(or in case the county was not indebted to
the Municipal Loan Fund, the whole sum
going to the county) in respect of the said
allotment and railway allowance, shall be
divided among the local municipalities there-
in (or the other local municipalities therein,
as the case may be), according to population,
and shall be applied in aid of railways, of
drainage, of the building or improvement of
the court-house or gaol, of the building or
improvement of an hospital, of providing for
the use of the municipality an industrial
farm, a house of industry or of refuge, or in
building or improving schools, public halls,
bridges, harbours, piers, or gravel roads, or
shall be applied in making other permanent
improvements affecting the municipalities, or
shall be applied in or towards the reduction
or payment of municipal obligations already
contracted for permanent works; and proper
provision should be made for the due appli-
cation of the money to the objects specified.

(4.) The amount going to any city or local
municipality after the payment of debts shall
be applied to any of the said objects which
may be determined by the council of the city
or local municipality at any time after the
first day of February next.

(5.) Where a portion of a county, or union
of counties, indebted to the Municipal Loan
Fund, has been separated from the indebted
county or union, and has assumed part of the
debt of the county or union, the allotment in
respect of the railway allowance shall be
divided in like manner.

That a like sum of \$2 per head be allotted
to those districts which have not yet been
organized into municipalities, and shall be
applied to permanent improvement affecting
the localities, and approved off by the Legis-
lature.

That, in view of the past history of the
Municipal Loan Fund, it is essential that the
new debentures to be obtained from muni-
cipalities indebted to the said fund, shall not
exceed an amount which shall constitute such
debentures good and reliable investments to
all holders; that by the Municipal Act of
1866 it was enacted, that no municipal coun-
cil shall assess or levy in any one year more
than an aggregate rate of two cents in the
dollar (exclusive of school rates) on the value
of the ratable property in the municipality;
that it is expedient, in making a final arrange-

ment of the Municipal Loan Fund debts, to act upon the policy involved in this enactment, and to provide that, in case a rate of two cents in the dollar would be insufficient to pay five per cent. annually on the debt, or reduced debt, to the said Fund, after allowing for the ordinary and necessary expenses of the municipality (other than schools), the amount of the debt to the Municipal Loan Fund shall be placed at such a sum, that the interest thereon at five per cent. shall not exceed what an assessment of two cents in the dollar on the assessed value of the property in the municipality would be sufficient to pay, after meeting the ordinary and necessary expenditure of the municipality other than schools as aforesaid; that it is expedient that the annual amount to be so paid should be fixed and not fluctuating; that the amount of the assessment, and of the ordinary and necessary expenditure, respectively, of the year 1872, be therefore accepted as the basis of the said calculation and settlement. That with respect to the Township of *Hope*, it appears that the Government of the late Province of *Canada*, by Order in Council, relieved that municipality from the payment of more than one rate of five cents, in respect to both its local debt of the Municipal Loan Fund, and the debt of the County to the same Fund; that it is proper, while giving the Township of *Hope* this relief, to treat in the same manner every or any other municipality indebted to the said Municipal Loan Fund, and situate in a county which also is indebted to the same Fund.

That where injurious legislation, affecting the securities and position of the municipality indebted to the Municipal Loan Fund, has taken place without the knowledge or concurrence of the municipality, or against its active opposition, and in the interest, or supposed interest of the public or of other parties, and has resulted either in no railway being built, or in the building of a railway which has not advanced the local interests of the indebted municipality, it is expedient, in view of such injurious legislation, to cancel the balance still due by any such municipality to the Municipal Loan Fund after making the allowances hereinbefore provided for.

That the City of *Hamilton* took stock in the *Berlin* and *Preston* railway, and issued debentures therefor, amounting to \$200,000; that \$80,000 of these debentures were purchased by the late Province of *Canada*, and are now held by this Province; that no interest has been collected thereon since the same were purchased by the Province of *Canada*, shortly after the issuing of the said debentures; that in consequence of certain proceedings authorized by an Act of the Parliament of the said late Province of

Canada, 27 Vic., cap. 56, the said railway has been destroyed; and that, having regard to these facts, and to the financial position of the said city, it is expedient to cancel the said debentures now held by the Province; that the Town of *Berlin* took stock in the same railway, to the amount of \$20,000; that an allowance should be made to the said Town, bearing the same proportion to its stock, as the said cancelled debentures of *Hamilton* bear to the stock taken by *Hamilton*.

That where any municipality holds revenue-producing investments, made with the money borrowed or obtained under the Municipal Loan Fund Acts, or with the produce of such money, such investments shall, at the discretion of the Lieutenant-Governor in Council, be assigned, in such way as he may appoint, as a security for the balance due by the municipality to the said fund. Or, where such investments are of greater amount and value than the balance so due, the Lieutenant-Governor in Council may require the said investments to be assigned absolutely, in discharge of the said balance.

That new debentures be obtained from the indebted municipalities respectively, for the balances due by them; that the debentures shall be in such form and for such respective sums as the Lieutenant-Governor in Council shall direct; that the debentures shall provide for payment by the same sums, per annum as nearly as may be, as the municipalities are now liable to pay; provided that no more shall be payable annually for twenty years than two cents in the dollar on the assessment of 1872, would provide for as aforesaid; and that no debentures shall allow more than twenty years for payment of principal; that these debentures shall, as far as practicable, be equally distributed among the municipalities entitled thereto, in proportion to the sums to which the said municipalities are respectively entitled, that the municipality to which, or to the use of which, the same are delivered or set apart, shall be charged with the debentures according to the market value of the same at the time of such delivery on setting apart; or the Lieutenant-Governor may, in his discretion, sell the said debentures, and pay the proceeds to, or to the use of, the municipality entitled hereto; that any balance going to a municipality shall be paid in money; and that the debentures shall be delivered and the money paid to the municipalities, or to their use, at any time after the first day of February next, under proper statutory regulations fitted to secure the due application of the said debentures, or the produce thereof, and of the said money, to the objects specified.

railway
g regard
position
ancel the
rovince ;
k in the
000 ; that
the said
n to its
atures of
y Hamil-

revenue-
ne money
unicipal
ee of such
t the dis-
in Coun-
may ap-
e due by
Dr, where
ount and
cutenant-
e said in-
y, in dis-

from the
, for the
abentures
espective
a Council
shall pro-
ams, per
o munic-
vided that
or twenty
ar on the
le for as
shall al-
yment of
shall, as
istributed
thereto,
a the said
tled, that
the use of
set apart,
es accord-
me at the
apart ; or
his discre-
l pay the
unicipality
going to a
oney ; and
vered and
ties, or to
irst day of
tory regu-
lication of
nce there-
ne objects